Senator moves to amend S.F. No. 2744 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. VOLUNTARY BOUNDARY ALIGNMENT; MOORHEAD AND DILWORTH-GLYNDON-FELTON.

Subdivision 1. Boundary realignment allowed. The school boards of Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may realign their shared district boundaries according to the provisions of this section.

Subd. 2. Plan to establish new boundaries. (a) The school boards of Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton, may jointly develop a plan to realign their shared school district boundaries over a period of years.

(b) The plan must specify and identify each group of parcels that will be transferred and the method used to determine the year during which each set of parcels is transferred.

The method of transfer may include an analysis of the relative tax base of the parcels to be transferred and may make the transfers of parcels effective upon the relationship in relative tax bases.

(c) The written plan must be adopted by each school board after the board has allowed public testimony on the plan.

(d) The plan must be filed with both the county auditor and the commissioner of education.

(e) After adopting the plan, each school board must publish notice of the plan realigning district boundaries. The notice must include a general description of the area.
that will be affected by the proposed boundary alignment and the method by which the
boundaries will be realigned. The notice must also be mailed to each property owner of
record in the area proposed for realignment.

Subd. 3. Bonded debt. As of the effective date of each exchange of parcels between
the two school districts, for the next and subsequent tax years, the taxable property in the
newly aligned parcel is taxable for a portion of the bonded debt of the school district to
which the property is attached and is not taxable for the bonded debt from the school
district from which the property is detached.

Subd. 4. County auditor notified. After adoption of the plan, each school board
must provide a copy of the plan to the county auditor. The county auditor may request
any other necessary information from the school districts to affect the transfer of parcels
between the school districts. Each year, the school districts must notify the county auditor
of what block of parcels, if any, will be transferred between the two school districts. The
county auditor must notify each affected property owner of the boundary change.

Subd. 5. Report to Department of Education. Upon adoption of the plan, the
school boards must submit a copy of the plan to the Department of Education. The districts
must also provide any additional information necessary for computing school aids and
levies to the Department of Education in the form and manner requested by the department.

EFFECTIVE DATE. This section is effective the day after the school boards of
Independent School Districts Nos. 152, Moorhead, and 2164, Dilworth-Glyndon-Felton,
and their respective chief clerical officers timely comply with Minnesota Statutes, section
645.021, subdivisions 2 and 3.

Sec. 3. REPEALER.
Minnesota Statutes 2014, section 127A.51, is repealed, effective July 1, 2016.

ARTICLE 2
EDUCATION EXCELLENCE

Section 1. 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;
3.1 (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 (2) student performance on the Minnesota Comprehensive Assessments;

3.3 (3) high school graduation rates; and

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

3.5 Sec. 2. 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 each student's progress toward meeting state and local academic standards, assessing and identifying students for participation in gifted and talented programs and acceleration and 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 that low-income and minority children are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers, consistent with section 1111(b)(8)(C) of the Elementary and Secondary Education Act;

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

Subd. 4. **Site team.** A school **may** must establish a site team to develop and implement strategies and education effectiveness practices to improve instruction, curriculum, cultural competencies, including cultural awareness and cross-cultural communication, and student achievement at the school site, consistent with subdivision

2. The site team must include an equal number of teachers and administrators, as well as at least one parent. The site team advises the board and the advisory committee about developing the annual budget and revising: creates an instruction and curriculum improvement plan that aligns curriculum, assessment of student progress, and growth in meeting state and district academic standards and instruction; and coordinates with other district site teams to select the standardized assessments that the school will administer to students, in addition to required assessments under section 120B.30, and applicable federal law.

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: (1) student achievement goals; (2) local assessment outcomes; (3) plans, strategies, and practices for improving curriculum and instruction and: (4) cultural competency; (5) the process to examine equitable distribution of effective, experienced, and in-field teachers; and to review (6) 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.12, subdivision 3, is amended to read:

Subd. 3. **Intervention.** For each student identified under subdivision 2, the district shall provide reading intervention to accelerate student growth and reach the goal of reading at or above grade level by the end of the current grade and school year. District intervention methods shall encourage family engagement and, where possible, collaboration with appropriate school and community programs. Intervention methods may include, but are not limited to, requiring attendance in summer school, intensified reading instruction that may require that the student be removed from the regular classroom for part of the school day, extended-day programs, or programs that strengthen students'
cultural connections. A student, other than a student under an individualized education
program (IEP), who is unable to demonstrate grade-level proficiency as measured by the
statewide reading assessment in grade 3 shall receive a personal learning plan in a format
determined by the school or school district in consultation with classroom teachers, and
developed and updated as needed in consultation, to the extent practicable, with the student
and the student's parents by the classroom teachers and other qualified school professionals
involved with the student's elementary school progress. A personal learning plan shall
address knowledge gaps and skill deficiencies through strategies such as specific exercises
and practices during and outside of the regular school days, periodic assessments and
timelines, and may include grade retention, if necessary, to meet the student's best interests.

Sec. 6. 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, and inform the student and
their parent or guardian, if the student is a minor, of the student's achievement level score
on the Minnesota Comprehensive Assessments that are administered during high school;

(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;
6.1 (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;

6.2 (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;

6.3 (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

6.4 (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.

6.5 (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.

6.6 (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.

6.7 (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.

6.8 (e) Students who do not meet or exceed Minnesota academic standards, as measured 
by the Minnesota Comprehensive Assessments that are administered during high school, 
shall be informed that admission to a public school is free and available to any resident 
under 21 years of age or who meets the requirements of section 120A.20, subdivision 1, 
paragraph (c). A student's plan under this section shall continue while the student is 
enrolled.
Sec. 7. 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. 8. Minnesota Statutes 2014, section 120B.30, is amended by adding a subdivision to read:

**Subd. 6. Retaliation prohibited.** A report to the commissioner concerning service disruptions and technical interruptions to the assessments under this section is subject to the protection of section 181.932, governing disclosure of information by employees.

Sec. 9. Minnesota Statutes 2015 Supplement, section 120B.301, is amended to read:

**120B.301 LIMITS ON LOCAL TESTING.**

(a) For students in grades 1 through 6, the cumulative total amount of time spent taking locally adopted districtwide or schoolwide assessments must not exceed ten hours per school year. For students in grades 7 through 12, the cumulative total amount of time spent taking locally adopted districtwide or schoolwide assessments must not exceed 11 hours.
hours per school year. For purposes of this paragraph, International Baccalaureate and
Advanced Placement exams are not considered locally adopted assessments.

(b) A district or charter school is exempt from the requirements of paragraph (a),
if the district or charter school, in consultation with the exclusive representative of the
teachers or other teachers if there is no exclusive representative of the teachers, decides
to exceed a time limit in paragraph (a) and includes in the report required under section
120B.11, subdivision 5.

(c) A district or charter school must, prior to the first day of each school year, publish
on its Web site a comprehensive calendar of standardized tests to be administered in the
district or charter school for that school year. The calendar must provide the rationale for
administering each assessment and indicate whether the assessment is a local option, or is
required by state or federal law.

Sec. 10. Minnesota Statutes 2014, section 120B.31, is amended by adding a
subdivision to read:

Subd. 4a. Student participation. The commissioner shall create and publish a
form for a parent or guardian to complete if they refuse for their child to participate in
standardized testing. The form must state why there are academic standards, indicate
which tests are aligned with those standards, and what consequences, if any, the school
may face if students do not participate in standardized testing. This form must request
a reason for the refusal.

Sec. 11. Minnesota Statutes 2014, section 120B.31, subdivision 5, is amended to read:

Subd. 5. Parent Access to information. To ensure the effective involvement
of parents and to support a partnership between the school and parents, each district
shall annually provide parents and teachers a timely written summary, in an electronic
or other format, of their student's current and longitudinal performance and progress
on the state's academic content standards as measured by state assessments. Providing
parents with a summary prepared by the Department of Education fulfills the requirements
of this subdivision.

Sec. 12. 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. 13. 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. 14. 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 the student categories identified under the federal Elementary and Secondary Education Act and two student gender categories of male and female, respectively, 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 the student categories identified under the federal Elementary and Secondary Education Act and two student gender categories of male and female, respectively, 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.

(e) 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. 15. 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. 16. 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. All
data the department receives, collects, or creates to determine adequate yearly progress
status federal expectations under Public Law 107-110, section 1116 the 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. Districts must provide parents sufficiently detailed summary data
to permit parents to appeal under Public Law 107-110, section 1116(b)(2) the federal
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. 17. 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. 18. 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. 19. 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. 20. 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:

(i) schoolwide student achievement gains under section 120B.35 or locally selected
standardized assessment outcomes, or both;

(ii) 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. 21. 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 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. 22. Minnesota Statutes 2015 Supplement, section 122A.414, subdivision 3, is amended to read:

Subd. 3. Report; continued funding. (a) Participating districts, intermediate school districts, cooperatives, school sites, and charter schools must report on the implementation and effectiveness of the alternative teacher professional pay system, particularly...
addressing each requirement under subdivision 2 and make annual recommendations by
June 15 to their school boards. The school board, board of directors, or governing board
shall transmit a copy of the report with a summary of the findings and recommendations
of the district, intermediate school district, cooperative, school site, or charter school to
the commissioner in the form and manner determined by the commissioner.

(b) If the commissioner determines that a school district, intermediate school district,
cooperative, school site, or charter school that receives alternative teacher compensation
revenue is not complying with the requirements of this section, the commissioner
may withhold funding from that participant. Before making the determination, the
commissioner must notify the participant of any deficiencies and provide the participant
an opportunity to comply. A district must include the report required under paragraph (a)
as part of the world's best workforce report under section 120B.11, subdivision 5.

Sec. 23. 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. 24. 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.413, 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. 25. 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.

(c) 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. 26. 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. 27. Minnesota Statutes 2014, section 122A.74, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** (a) The commissioner of education may contract
with the Minnesota State University Mankato or the regents of the University of Minnesota
to establish a Principals' Leadership Institute to provide professional development to
school principals by:

1. creating a network of leaders in the educational and business communities to
   communicate current and future trends in leadership techniques;
2. helping to create a vision for the school that is aligned with the community
   and district priorities;
3. developing strategies to retain **highly** qualified teachers and ensure that diverse
   student populations, including at-risk students, children with disabilities, English learners,
   and gifted students, among others, have equal access to these **highly** qualified teachers; and
4. providing training to analyze data using culturally competent tools.

(b) The University of Minnesota must cooperate with participating members of the
business community to provide funding and content for the institute.

(c) Participants must agree to attend the Principals' Leadership Institute for four
weeks during the academic summer.
(d) The Principals' Leadership Institute must incorporate program elements offered by leadership programs at the University of Minnesota and program elements used by the participating members of the business community to enhance leadership within their businesses.

Sec. 28. Minnesota Statutes 2014, section 124D.03, subdivision 5a, is amended to read:

Subd. 5a. **Lotteries.** If a school district has more applications than available seats at a specific grade level, it must hold an impartial lottery following the January 15 deadline to determine which students will receive seats. Siblings of currently enrolled students and applications related to an approved integration and achievement plan, and children of the school district's staff must receive priority in the lottery. The process for the school district lottery must be established in school district policy, approved by the school board, and posted on the school district's Web site.

**EFFECTIVE DATE.** This section is effective the day following final enactment for nonresident pupil applications not yet accepted or rejected by the school district.

Sec. 29. Minnesota Statutes 2014, section 124D.15, subdivision 3a, is amended to read:

Subd. 3a. **Application and reporting requirements.** (a) A school readiness program provider must submit a biennial plan for approval by the commissioner before receiving aid under section 124D.16. The plan must describe the district's world's best workforce plan under section 120B.11, describing how the school readiness program meets the program requirements under subdivision 3. A school district by April 1 must submit the plan for approval by the commissioner in the form and manner prescribed by the commissioner. One-half the districts must first submit the plan by April 1, 2006, and one-half the districts must first submit the plan by April 1, 2007, as determined by the commissioner.

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

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 30. 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:
23.1 (1) early childhood:
23.2 (i) early childhood education; and
23.3 (ii) child care services;
23.4 (2) academic:
23.5 (i) academic support and enrichment activities, including expanded learning time;
23.6 (ii) summer or after-school enrichment and learning experiences;
23.7 (iii) job training, internship opportunities, and career counseling services;
23.8 (iv) programs that provide assistance to students who have been truant, suspended, or expelled; and
23.9 (v) specialized instructional support services;
23.10 (3) parental involvement:
23.11 (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.;
23.12 (ii) parent leadership development activities; and
23.13 (iii) parenting education activities;
23.14 (4) mental and physical health:
23.15 (i) mentoring and other youth development programs, including peer mentoring and conflict mediation;
23.16 (ii) juvenile crime prevention and rehabilitation programs;
23.17 (iii) home visitation services by teachers and other professionals;
23.18 (iv) developmentally appropriate physical education;
23.19 (v) nutrition services;
23.20 (vi) primary health and dental care; and
23.21 (vii) mental health counseling services;
23.22 (5) community involvement:
23.23 (i) service and service-learning opportunities;
23.24 (ii) adult education, including instruction in English as a second language; and
23.25 (iii) homeless prevention services;
23.26 (6) positive discipline practices; and
23.27 (7) other programming designed to meet school and community needs identified in the baseline analysis and reflected in the full-service community school plan.
23.28 (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:
23.29 (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. 31. 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 VIII VI of the Elementary and Secondary Education Act for the education of American Indian children.

Sec. 32. 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
singly 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;
(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. 33. STUDENT DISCIPLINE WORKING GROUP.
(a) A Student Discipline Working Group is created to review the substance,
application, and effect of Minnesota's Pupil Fair Dismissal Act under Minnesota Statutes,
sections 121A.40 to 121A.56, and related student discipline provisions in Minnesota
Statutes, chapter 121A, and submit written recommendations to the legislature by
February 1, 2017, on improving disciplinary policies, practices, and procedures as they
affect students and school officials and the effects on student outcomes.
(b) Consistent with paragraph (a), the working group must analyze:
(1) available summary data on elementary and secondary students' removal from
class, suspensions, exclusions, and expulsions, disaggregated by categories of race,
ethnicity, poverty, disabilities, homelessness, English language proficiency, gender, age,
and foster care status;

(2) the meaning and effect of "willful" in establishing grounds for dismissal under
Minnesota Statutes, section 121A.45;

(3) the impact of student misconduct on teacher safety;

(4) the impact of established policies and due process procedures on teacher safety
and student outcomes;

(5) students' need for and access to professional support service providers such
as school counselors, school social workers, school psychologists, and mental health
professionals;

(6) the presence of school resource officers in school buildings, their role in effecting
student discipline, and their impact on teacher safety and student outcomes;

(7) policies for retaining destroying student disciplinary data;

(8) best practices for school discipline; and

(9) other related school discipline matters that are of concern to working group
members.

(c) By June 1, 2016, the executive director of each of the following organizations
shall appoint one representative of that organization to serve as a member of the working
group: the Minnesota School Boards Association; the Minnesota Association of School
Administrators; Education Minnesota; the Minnesota Board of Peace Officer Standards
and Training; the Minnesota Disability Law Center; the National Alliance of Mental
Illness Minnesota; the Minnesota Association of Secondary School Principals; the
Minnesota Elementary School Principals' Association; the Association of Metropolitan
School Districts; the Minnesota Rural Education Association; the Minnesota School
Counselors Association; the Minnesota School Psychologists Association; the Parent
Advocacy Coalition for Educational Rights; Minnesota Administrators for Special
Education; Schools for Equity in Education; and the Minnesota School Social Workers
Association. Working group members may seek advice from experts and stakeholders in
developing their recommendations.

(d) The commissioner of education, or the commissioner's designee, must convene
the first meeting of the working group. The working group must select a chair or cochairs
from among its members at the first meeting. The working group must meet periodically.
The commissioner must provide technical and administrative assistance to the working
group upon request. Working group members are not eligible to receive expenses or per
diem payments for serving on the working group.

(e) The working group expires February 2, 2017.

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

Sec. 34. **ASSESSMENT REPORT.**

By January 1, 2017, the commissioner of education must report to the chairs
and ranking minority members of the legislative committees having jurisdiction over
kindergarten through grade 12 education on whether or not to replace the Minnesota
Comprehensive Assessments (MCAs) that are administered to high school students with a
nationally recognized college entrance exam. The report must include the reason for the
recommendation. If the recommendation is to replace the MCAs, then the commissioner
must include in the report which nationally recognized college entrance exam should be
used as the replacement assessment, in what grade or grades the assessment should be
administered, and the cost for using the nationally recognized college entrance exam.

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

Sec. 35. **REPEALER.**

(a) Minnesota Statutes 2014, sections 120B.299, subdivision 5; 120B.35, subdivision
4; 122A.413, subdivision 3; 122A.43, subdivision 6; and 123B.06, 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;

Article 3 Section 1.
(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 or 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 authorizers, 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.

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 preoperational planning 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 authorized 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 
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) A student with a disability that has an individualized education program (IEP) or standardized written plan that meets the plan components of this section does not need an additional plan.

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 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/transliterators 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 (IIIIP) 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 (IEP).

(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 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
IIIP 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 2016-17 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 2014, section 123B.52, subdivision 1, is amended to read:

Subdivision 1. Contracts. A contract for work or labor, or for the purchase of
furniture, fixtures, or other property, except books registered under the copyright laws and
information systems software, or for the construction or repair of school houses, the
estimated cost or value of which shall exceed that specified in section 471.345, subdivision
3, must not be made by the school board without first advertising for bids or proposals by
two weeks' published notice in the official newspaper. This notice must state the time and
place of receiving bids and contain a brief description of the subject matter.
Additional publication in the official newspaper or elsewhere may be made as the
board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery,
and other conditions imposed in the call for bids, every such contract for which a call for
bids has been issued must be awarded to the lowest responsible bidder, be duly executed
in writing, and be otherwise conditioned as required by law. The person to whom the
contract is awarded shall give a sufficient bond to the board for its faithful performance.
Notwithstanding section 574.26 or any other law to the contrary, on a contract limited to the
purchase of a finished tangible product, a board may require, at its discretion, a performance
bond of a contractor in the amount the board considers necessary. A record must be kept of
all bids, with names of bidders and amount of bids, and with the successful bid indicated
thereon. A bid containing an alteration or erasure of any price contained in the bid which
is used in determining the lowest responsible bid must be rejected unless the alteration or
erasure is corrected as provided in this section. An alteration or erasure may be crossed out
and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink
by the person signing the bid. In the case of identical low bids from two or more bidders,
the board may, at its discretion, utilize negotiated procurement methods with the tied low
bidders for that particular transaction, so long as the price paid does not exceed the low tied
bid price. In the case where only a single bid is received, the board may, at its discretion,
negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district must be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts must not exceed two years with an option on the part of the district to renew for an additional two years. Contracts for the purchase of perishable food items, except milk for school lunches and vocational training programs, in any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt.

Every contract made without compliance with the provisions of this section shall be void. Except in the case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Sec. 2. 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. 3. 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. 4. **[123B.572]** **SOLAR PANEL FIRE SAFETY.**

A solar photovoltaic system installed at a school under this section must comply
with chapter 690 of the most current edition of NFPA 70, the National Electrical Code,
adopted under the authority given in section 326B.32, subdivision 2.

Sec. 5. 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. 6. 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. 7. 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. 8. 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. 9. 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. 10. 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. 11. 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. 12. 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 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 an 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. 13. 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. 14. 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.

Sec. 15. 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.

Sec. 16. 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 bus purchases as of June 30, 2007, shall be transferred to the reserved account for operating capital and 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. 17. 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. 18. 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), (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, 12B, 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. 19. 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. 20. **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.
ARTICLE 7

TEACHERS

Section 1. Minnesota Statutes 2014, section 120B.11, as amended by Laws 2015, First
Special Session chapter 3, article 3, section 5, is amended to read:

120B.11 SCHOOL DISTRICT PROCESS FOR REVIEWING CURRICULUM,
INSTRUCTION, AND STUDENT ACHIEVEMENT; STRIVING FOR THE
WORLD'S BEST WORKFORCE.

Subdivision 1. Definitions. For the purposes of this section and section 120B.10,
the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable
a student to meet state and district academic standards and graduation requirements
including applied and experiential learning.

(b) "Curriculum" means district or school adopted programs and written plans for
providing students with learning experiences that lead to expected knowledge and skills
and career and college readiness.

(c) "World's best workforce" means striving to: meet school readiness goals; have
all third grade students achieve grade-level literacy; close the academic achievement gap
among all racial and ethnic groups of students and between students living in poverty
and students not living in poverty; have all students attain career and college readiness
before graduating from high school; and have all students graduate from high school; and
provide all enrolled students with equitable access to effective and more diverse teachers,
including teachers who are members of populations underrepresented among the licensed
teachers in the district or school, and who reflect the diversity of students under section
120B.35, subdivision 3, paragraph (b), clause (2), enrolled in the district or school.

(d) "Experiential learning" means learning for students that includes career
exploration through a specific class or course or through work-based experiences such as
job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships,
other cooperative work experience, youth apprenticeship, or employment.

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) 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) student performance on the Minnesota Comprehensive Assessments;
(4) high school graduation rates; and
(5) career and college readiness under section 120B.30, subdivision 1; and
(6) the number and percent of teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in the district or school.

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 each student's progress toward meeting state and local academic standards 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, students' access to effective teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under section 120B.35, subdivision 3, paragraph (b), clause (2), 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) 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

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

Subd. 3. District advisory committee. Each school board shall establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, shall reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation
to the extent appropriate and practicable. The district advisory committee shall pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4. The district advisory committee shall recommend to the school board rigorous academic standards, student achievement goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a and 1b, and 120B.35, district assessments, means to improve students' equitable access to effective and more diverse teachers, and program evaluations. School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents shall comprise at least two-thirds of advisory committee members.

Subd. 4. Site team. A school may establish a site team to develop and implement strategies and education effectiveness practices to improve instruction, curriculum, cultural fluencies and competencies, including cultural awareness and cross-cultural communication, and student achievement at the school site, consistent with subdivision 2. The team advises the board and the advisory committee about developing the annual budget and revising an instruction and curriculum improvement plan that aligns curriculum, assessment of student progress, and growth in meeting state and district academic standards and instruction.

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 and all students' increased and equitable access to effective and more diverse 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.

Subd. 7. Periodic report. Each school district shall periodically survey affected constituencies, in their native languages where appropriate and practicable, about their connection to and level of satisfaction with school. The district shall include the results of this evaluation in the summary report required under subdivision 5.
Subd. 9. **Annual evaluation.** (a) The commissioner must identify effective strategies, practices, and use of resources by districts and school sites in striving for the world's best workforce. The commissioner must assist districts and sites throughout the state in implementing these effective strategies, practices, and use of resources, and in providing all enrolled students, including low-income students, American Indian students, and students of color with improved and equitable access to effective and more diverse teachers.

(b) The commissioner must identify those districts in any consecutive three-year period not making sufficient progress toward improving teaching and learning for all students, including English learners with varied needs, consistent with section 124D.59, subdivisions 2 and 2a, and striving for the world's best workforce. The commissioner, in collaboration with the identified district, may require the district to use up to two percent of its basic general education revenue per fiscal year during the proximate three school years to implement commissioner-specified strategies and practices, consistent with paragraph (a), to improve and accelerate its progress in realizing its goals under this section. In implementing this section, the commissioner must consider districts' budget constraints and legal obligations.

(c) The commissioner shall report by January 25 of each year to the committees of the legislature having jurisdiction over kindergarten through grade 12 education the list of school districts that have not submitted their report to the commissioner under subdivision 5 and the list of school districts not achieving their performance goals established in their plan under subdivision 2.

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

Sec. 2. Minnesota Statutes 2014, section 120B.11, subdivision 5, is amended to read:

Subd. 5. **Report.** (a) Consistent with requirements for school performance reports under section 120B.36, subdivision 1, and paragraph (b), 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, 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.

(b) Each school board must include in its annual report under paragraph (a) data on:
(1) the number of licensed teachers employed by the district who self-identify as
non-Caucasian and who are members of a population underrepresented among licensed
teachers in the district;

(2) the number of community experts providing instruction in the district during the
school year and the subject areas they teach;

(3) the school year testing schedule for the district showing grade levels and
assessments and the time allotted for each assessment; and

(4) the class sizes for the district's prekindergarten through grade 6 classrooms.
The format for reporting the data must comply with the model data-reporting format
developed by the commissioner.

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

Sec. 3. 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, as most recently reauthorized, 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, as
most recently reauthorized, 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.
(e) 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.

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

Sec. 4. Minnesota Statutes 2014, section 122A.09, as amended by Laws 2015, chapter 69, article 2, section 3, and Laws 2015, First Special Session chapter 3, article 2, sections 9 to 11, is amended to read:

**122A.09 DUTIES.**

Subdivision 1. **Code of ethics.** The Board of Teaching must develop by rule a code of ethics covering standards of professional teaching practices, including areas of ethical conduct and professional performance and methods of enforcement.

Subd. 2. **Advise members of profession.** The board must act in an advisory capacity to members of the profession in matters of interpretation of the code of ethics.
Subd. 3. **Election of chair and officers.** The board shall elect a chair and such
other officers as it may deem necessary.

Subd. 4. **License and rules.** (a) The board must adopt rules to license public school
teachers and interns subject to chapter 14.

(b) The board must require all candidates for teacher licensure to demonstrate a
passing score on a board-adopted skills examination in reading, writing, and mathematics,
as a requirement for an initial teacher licensure professional five-year teaching license,
except that the board may issue up to four temporary initial professional one-year teaching
licenses to an otherwise qualified candidate who has not yet passed the board-adopted
skills exam. The board must require colleges and universities offering a board-approved
teacher preparation program to provide remedial assistance to persons who did not achieve
a qualifying score on the board-adopted skills examination, including those for whom
English is a second language. The requirement to pass a board-adopted reading, writing,
and mathematics skills examination does not apply to nonnative English speakers, as
verified by qualified Minnesota school district personnel or Minnesota higher education
faculty, who, after meeting the content and pedagogy requirements under this subdivision,
apply for a teaching license to provide direct instruction in their native language or world
language instruction under section 120B.022, subdivision 1. The Board of Teaching and
the entity administering the content, pedagogy, and skills examinations must allow any
individual who produces documentation of a disability in the form of an evaluation, 504
plan, or individual education program (IEP) to receive the same testing accommodations
on the content, pedagogy, and skills examinations that the applicant received during their
secondary or postsecondary education.

(c) The board must adopt rules to approve teacher preparation programs. The board,
upon the request of a postsecondary student preparing for teacher licensure or a licensed
graduate of a teacher preparation program, shall assist in resolving a dispute between the
person and a postsecondary institution providing a teacher preparation program when the
dispute involves an institution's recommendation for licensure affecting the person or the
person's credentials. At the board's discretion, assistance may include the application
of chapter 14.

(d) The board must provide the leadership and adopt rules for the redesign of teacher
education programs to implement a research based, results-oriented curriculum that
focuses on the skills teachers need in order to be effective. Among other components,
teacher preparation programs may use the Minnesota State Colleges and Universities
program model to provide a school-year-long student teaching program that combines
clinical opportunities with academic coursework and in-depth student teaching

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*Article 7 Sec. 4.*
experiences to offer students ongoing mentorship, coaching, and assessment, help to prepare a professional development plan, and structured learning experiences. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. Teacher preparation programs including alternative teacher preparation programs under section 122A.245, among other programs, must include a content-specific, board-approved, performance-based assessment that measures teacher candidates in three areas: planning for instruction and assessment; engaging students and supporting learning; and assessing student learning. The board's redesign rules must include creating flexible, specialized teaching licenses, credentials, and other endorsement forms to increase students' participation in language immersion programs, world language instruction, career development opportunities, work-based learning, early college courses and careers, career and technical programs, Montessori schools, and project and place-based learning, among other career and college ready learning offerings.

(e) The board must adopt rules requiring candidates for initial professional five-year teaching licenses to pass an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective by September 1, 2001. The rules under this paragraph also must require candidates for initial licenses to teach prekindergarten or elementary students to pass, as part of the examination of licensure-specific teaching skills, test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, and their knowledge and understanding of the foundations of reading development, the development of reading comprehension, and reading assessment and instruction, and their ability to integrate that knowledge and understanding.

(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(g) The board must grant licenses to interns and to candidates for initial professional five-year teaching licenses based on appropriate professional competencies that are aligned with the board's licensing system and students' diverse learning needs. All teacher candidates must have preparation in English language development and content instruction for English learners in order to be able to effectively instruct the English learners in their classrooms. The board must include these licenses in a statewide differentiated licensing system that creates new leadership roles for successful experienced teachers premised on a collaborative professional culture dedicated to meeting students' diverse learning needs in the 21st century, recognizes the importance of cultural and linguistic competencies,
including the ability to teach and communicate in culturally competent and aware ways, and formalizes mentoring and induction for newly licensed teachers provided through a teacher support framework.

(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(1) (h) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board must require a licensed teacher who is renewing a continuing license professional five-year teaching license to include in the renewal requirements further preparation in English language development and specially designed content instruction in English for English learners.

(1) (i) The board must grant life lifetime substitute licenses to those who qualify according to board requirements established by the board, and suspend or revoke licenses pursuant to under sections 122A.20 and 214.10. The board must not establish any expiration date for application for life lifetime substitute licenses.

(1) (j) The board must adopt rules that require all licensed teachers who are renewing their continuing license professional five-year teaching licenses to include in their renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

(1) (k) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.

(1) (l) The board must adopt rules that require all licensed teachers who are renewing their continuing license professional five-year teaching licenses to include in their renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

(1) (m) The board must adopt rules that require all licensed teachers who are renewing their continuing license professional five-year teaching licenses to include in their renewal requirements at least one hour of suicide prevention best practices in each licensure renewal period that are based on nationally recognized evidence-based
programs and practices and further preparation, first, in understanding the key warning
signs of early-onset mental illness in children and adolescents and then, during
subsequent licensure renewal periods, preparation may include providing a more in-depth
understanding of students' mental illness trauma, accommodations for students' mental
illness, parents' role in addressing students' mental illness, Fetal Alcohol Spectrum
Disorders, autism, the requirements of section 125A.0942 governing restrictive
procedures, and de-escalation methods, among other similar topics.

(=) (n) The board must adopt rules by January 1, 2016, to license applicants under
sections 122A.23 and 122A.245. The rules must permit applicants to demonstrate their
qualifications through the board's recognition of a teaching license from another state
in a similar content field, completion of a state-approved teacher preparation program,
teaching experience as the teacher of record in a similar licensure field, depth of content
knowledge, depth of content methods or general pedagogy, subject-specific professional
development and contribution to the field, or classroom performance as determined by
documented student growth on normed assessments or documented effectiveness on
evaluations. The rules must adopt criteria for determining a "similar content field" and
"similar licensure area."

Subd. 4a. **Teacher and administrator preparation and performance data;**

**report.** (a) The Board of Teaching and the Board of School Administrators, in cooperation
with the Minnesota Association of Colleges of Teacher Education and Minnesota colleges
and universities offering board-adopted teacher or administrator preparation programs,
annually must collect and report summary data on teacher and administrator preparation
and performance outcomes, consistent with this subdivision. The Board of Teaching
and the Board of School Administrators annually by June 1 must update and post the
reported summary preparation and performance data on teachers and administrators from
the preceding school years on a Web site hosted jointly by the boards.

(b) Publicly reported summary data on teacher preparation programs must include:
student entrance requirements for each Board of Teaching-approved program, including
grade point average for enrolling students in the preceding year; the average board-adopted
skills examination or ACT or SAT scores of students entering the program in the preceding
year; summary data on faculty qualifications, including at least the content areas of faculty
undergraduate and graduate degrees and their years of experience either as kindergarten
through grade 12 classroom teachers or school administrators; the average time resident
and nonresident program graduates in the preceding year needed to complete the program;
the current number and percent of students by program who graduated, received a standard
Minnesota teaching license, and were hired to teach full time in their licensure field in a
Minnesota district or school in the preceding year; the number of content area credits and
other credits by undergraduate program that students in the preceding school year needed
to complete to graduate; students' pass rates on skills and subject matter exams required for
graduation in each program and licensure area in the preceding school year; survey results
measuring student and graduate satisfaction with the program in the preceding school
year; a standard measure of the satisfaction of school principals or supervising teachers
with the student teachers assigned to a school or supervising teacher; and information
under paragraphs (d) and (e). Program reporting must be consistent with subdivision 11.

(c) Publicly reported summary data on administrator preparation programs
approved by the Board of School Administrators must include: summary data on faculty
qualifications, including at least the content areas of faculty undergraduate and graduate
degrees and their years of experience either as kindergarten through grade 12 classroom
teachers or school administrators; the average time program graduates in the preceding
year needed to complete the program; the current number and percent of students who
graduated, received a standard Minnesota administrator license, and were employed as an
administrator in a Minnesota school district or school in the preceding year; the number of
credits by graduate program that students in the preceding school year needed to complete
to graduate; survey results measuring student, graduate, and employer satisfaction with
the program in the preceding school year; and information under paragraphs (f) and (g).

Program reporting must be consistent with section 122A.14, subdivision 10.

(d) School districts annually by October 1 must report to the Board of Teaching
the following information for all teachers who finished the probationary period and
accepted a continuing contract position with the district from September 1 of the previous
year through August 31 of the current year: the effectiveness category or rating of the
teacher on the summative evaluation under section 122A.40, subdivision 8, or 122A.41,
subdivision 5; the licensure area in which the teacher primarily taught during the
three-year evaluation cycle; and the teacher preparation program preparing the teacher in
the teacher's primary areas of instruction and licensure.

(e) School districts annually by October 1 must report to the Board of Teaching the
following information for all probationary teachers in the district who were released or
whose contracts were not renewed from September 1 of the previous year through August
31 of the current year: the licensure areas in which the probationary teacher taught; and
the teacher preparation program preparing the teacher in the teacher's primary areas of
instruction and licensure.

(f) School districts annually by October 1 must report to the Board of School
Administrators the following information for all school principals and assistant principals
who finished the probationary period and accepted a continuing contract position with the
district from September 1 of the previous year through August 31 of the current year: the
effectiveness category or rating of the principal or assistant principal on the summative
evaluation under section 123B.147, subdivision 3; and the principal preparation program
providing instruction to the principal or assistant principal.

(g) School districts annually by October 1 must report to the Board of School
Administrators all probationary school principals and assistant principals in the district
who were released or whose contracts were not renewed from September 1 of the previous
year through August 31 of the current year.

Subd. 5. Commissioner's representative to comment on proposed rule. Prior
to the adoption by the Board of Teaching of any rule which must be
submitted to public hearing, a representative of the commissioner shall appear before the
Board of Teaching and at the hearing required pursuant to section 14.14, subdivision
1, to comment on the cost and educational implications of that proposed rule.

Subd. 6. Register of persons licensed. The executive secretary of the Board of
Teaching shall keep a record of the proceedings of and a register of all persons licensed
pursuant to the provisions of this chapter. The register must show the name, address,
license number and the renewal of the license. The board must on July 1, of each year
or as soon thereafter as is practicable, compile a list of such duly licensed teachers and
transmit a copy of the list to the board. A copy of the register must be available during
business hours at the office of the board to any interested person.

Subd. 7. Commissioner's assistance; board money. The commissioner shall
provide all necessary materials and assistance for the transaction of the business of the
Board of Teaching and all moneys received by the Board of Teaching shall be paid into
the state treasury as provided by law. The expenses of administering sections 122A.01,
122A.05 to 122A.09, 122A.15, 122A.16, 122A.17, 122A.18, 122A.20, 122A.21, 122A.22,
122A.23, 122A.26, 122A.30, 122A.40, 122A.41, 122A.42, 122A.45, 122A.49, 122A.54,
122A.55, 122A.56, 122A.57, and 122A.58 which are incurred by the Board of Teaching
shall be paid for from appropriations made to the Board of Teaching.

Subd. 8. Fraud; gross misdemeanor. A person who claims to be a licensed teacher
without a valid existing license issued by the board or any person who employs fraud or
defection in applying for or securing a license is guilty of a gross misdemeanor.

Subd. 9. Board may adopt rules. The Board of Teaching may adopt rules subject
to the provisions of chapter 14 to implement sections 122A.05 to 122A.09, 122A.16,
122A.17, 122A.18, 122A.20, 122A.21, and 122A.23.
Subd. 10. Variance Permissions. (a) Notwithstanding subdivision 9 and section 14.05, subdivision 4, 14.055, the Board of Teaching may grant a variance waiver for programs in learning or management. 

(b) To enable a school district to meet the needs of students enrolled in an alternative education program and to enable licensed teachers instructing those students to satisfy content area licensure requirements, the Board of Teaching annually may permit a licensed teacher teaching in an alternative education program to instruct students in a content area for which the teacher is not licensed, consistent with paragraph (a).

(c) A special education license variance permission issued by the Board of Teaching for a primary employer's low-incidence region shall be valid in all low-incidence regions.

Subd. 11. Teacher preparation program reporting. By December 31, 2018, and annually thereafter, the Board of Teaching shall report and publish on its Web site the cumulative summary results of at least three consecutive years of data reported to the board under subdivision 4a, paragraph (b). Where the data are sufficient to yield statistically reliable information and the results would not reveal personally identifiable information about an individual teacher, the board shall report the data by teacher preparation program.

EFFECTIVE DATE. Subdivision 4, paragraph (m), is effective the day following final enactment and applies to teachers renewing their teaching licenses beginning August 1, 2017.

Sec. 5. Minnesota Statutes 2014, section 122A.09, is amended by adding a subdivision to read:

Subd. 12. Endorsement; dual enrollment instruction. The Board of Teaching must issue an endorsement for dual enrollment instruction to a high school teacher licensed in a content-specific field who successfully completes the faculty qualification requirements established by the Higher Learning Commission. The licensure endorsement must allow the teacher to provide dual enrollment instruction in the teacher's licensure field, consistent with board-adopted standards. The board must adopt standards for this endorsement in consultation with eligible public postsecondary institutions participating in course agreements under section 124D.09, subdivision 10. The endorsement means a change in the teacher's license that allows the teacher to teach postsecondary college in the schools dual credit courses under section 124D.09, subdivision 10, at a high school without need for additional preparation or supervision.
EFFECTIVE DATE. This section is effective the day following final enactment.

The Board of Teaching must start issuing endorsements by September 1, 2017.

Sec. 6. Minnesota Statutes 2014, section 122A.18, as amended by Laws 2015, First Special Session chapter 3, article 2, sections 14 and 15, is amended to read:

122A.18 BOARD TO ISSUE LICENSES.

Subdivision 1. Authority to license. (a) The Board of Teaching must license teachers, as defined in section 122A.15, subdivision 1, except for supervisory personnel, as defined in section 122A.15, subdivision 2.

(b) The Board of School Administrators must license supervisory personnel as defined in section 122A.15, subdivision 2, except for athletic coaches.

(c) Licenses under the jurisdiction of the Board of Teaching, the Board of School Administrators, and the commissioner of education must be issued through the licensing section of the department.

(d) The Board of Teaching and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for teacher education programs. The program approval process must include targeted redesign of teacher preparation programs to address identified E-12 student areas of concern.

(e) The Board of School Administrators and the Department of Education must enter into a data sharing agreement to share educational data at the E-12 level for the limited purpose of program approval and improvement for education administration programs. The program approval process must include targeted redesign of education administration preparation programs to address identified E-12 student areas of concern.

(f) For purposes of the data sharing agreements under paragraphs (d) and (e), the Board of Teaching, Board of School Administrators, and Department of Education may share private data, as defined in section 13.02, subdivision 12, on teachers and school administrators. The data sharing agreements must not include educational data, as defined in section 13.32, subdivision 1, but may include summary data, as defined in section 13.02, subdivision 19, derived from educational data.

Subd. 2. Teacher and support personnel qualifications. (a) The Board of Teaching must issue licenses under its jurisdiction to persons the board finds to be qualified and competent for their respective positions, including those meeting the standards adopted under section 122A.09, subdivision 4, paragraph (o), (n).

(b) The board must require a candidate for teacher licensure to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics,
before being granted an initial professional five-year teaching license to provide direct
instruction to pupils in prekindergarten, elementary, secondary, or special education
programs, except that the board may issue up to four temporary, one-year teaching licenses
to an otherwise qualified candidate who has not yet passed a board-adopted skills exam.  
At the request of the employing school district or charter school, the Board of Teaching
may issue a restricted initial professional one-year teaching license to an otherwise
qualified teacher not passing or demonstrating a passing score on a board-adopted skills
examination in reading, writing, and mathematics. For purposes of this section, the
restricted initial professional one-year teaching license issued by the board is limited to the
current subject or content matter the teacher is employed to teach and limited to the district
or charter school requesting the restricted initial professional one-year teaching license. If
the board denies the request, it must provide a detailed response to the school administrator
as to the reasons for the denial. The board must require colleges and universities offering
a board approved teacher preparation program to make available upon request remedial
assistance that includes a formal diagnostic component to persons enrolled in their
institutions or who did not achieve a qualifying score on a board-adopted skills examination,
including those for whom English is a second language. The colleges and universities
must make available assistance in the specific academic areas of candidates' deficiency.
School districts may make available upon request similar, appropriate, and timely remedial
assistance that includes a formal diagnostic component to those persons employed by the
district who completed their teacher education program, who did not achieve a qualifying
score on a board-adopted skills examination, and who received a temporary initial professional one-year teaching license to teach in Minnesota. The Board of Teaching
shall report annually to the education committees of the legislature on the total number
teacher candidates during the most recent school year taking a board-adopted skills
examination, the number who achieve a qualifying score on the examination, the number
who do not achieve a qualifying score on the examination, and the candidates who have
not passed a content or pedagogy exam, disaggregated by categories of race, ethnicity,
and eligibility for financial aid.

(c) The Board of Teaching must grant continuing professional five-year teaching
licenses only to those persons who have met board criteria for granting a continuing that
license, which includes passing a board-adopted skills examination in reading, writing, and
mathematics, and the exceptions in section 122A.09, subdivision 4, paragraph (b), that are
consistent with this paragraph. The requirement to pass a board-adopted reading, writing,
and mathematics skills examination, does not apply to nonnative English speakers, as
verified by qualified Minnesota school district personnel or Minnesota higher education
69.1 faculty, who, after meeting the content and pedagogy requirements under this subdivision,
69.2 apply for a professional five-year teaching license to provide direct instruction in their
69.3 native language or world language instruction under section 120B.022, subdivision 1.
69.4 (d) All colleges and universities approved by the board of teaching to prepare persons
69.5 for teacher licensure must include in their teacher preparation programs a common core
69.6 of teaching knowledge and skills to be acquired by all persons recommended for teacher
69.7 licensure. Among other requirements, teacher candidates must demonstrate the knowledge
69.8 and skills needed to provide appropriate instruction to English learners to support and
69.9 accelerate their academic literacy, including oral academic language, and achievement in
69.10 content areas in a regular classroom setting. This common core shall meet the standards
69.11 developed by the interstate new teacher assessment and support consortium in its 1992
69.12 "model standards for beginning teacher licensing and development." Amendments to
69.13 standards adopted under this paragraph are covered by chapter 14. The board of teaching
69.14 shall report annually to the education committees of the legislature on the performance
69.15 of teacher candidates on common core assessments of knowledge and skills under this
69.16 paragraph during the most recent school year.
69.17 Subd. 2a. Reading strategies. (a) All colleges and universities approved by the
69.18 Board of Teaching to prepare persons for classroom teacher licensure must include in
69.19 their teacher preparation programs research-based best practices in reading, consistent
69.20 with section 122A.06, subdivision 4, that enable the licensure candidate to know how to
69.21 teach reading in the candidate's content areas. Teacher candidates must be instructed
69.22 in using students' native languages as a resource in creating effective differentiated
69.23 instructional strategies for English learners developing literacy skills. These colleges and
69.24 universities also must prepare early childhood and elementary teacher candidates for initial
69.25 professional five-year teaching licenses to teach prekindergarten or elementary students
69.26 for the assessment of reading instruction portion of the examination of licensure specific
69.27 teaching skills under section 122A.09, subdivision 4, paragraph (e), covering assessment
69.28 of reading instruction.
69.29 (b) Board-approved teacher preparation programs for teachers of elementary
69.30 education must require instruction in the application of scientifically based, and balanced reading instruction programs that:
69.31 (1) teach students to read using foundational knowledge, practices, and strategies
69.32 consistent with section 122A.06, subdivision 4, so that all students will achieve continuous
69.33 progress in reading; and
69.34 (2) teach specialized instruction in reading strategies, interventions, and remediations
69.35 that enable students of all ages and proficiency levels to become proficient readers.
(c) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

Subd. 2b. **Reading specialist.** Not later than July 1, 2002, the Board of Teaching must adopt rules providing for the reading teacher licensure of teachers of reading.

Subd. 3. **Supervisory and coach qualifications; code of ethics.** The commissioner of education must issue licenses under its jurisdiction to persons the commissioner finds to be qualified and competent for their respective positions under the rules it adopts.

The commissioner of education may develop, by rule, a code of ethics for supervisory personnel covering standards of professional practices, including areas of ethical conduct and professional performance and methods of enforcement.

Subd. 3a. **Technology strategies.** All colleges and universities approved by the Board of Teaching to prepare persons for classroom teacher licensure must include in their teacher preparation programs the knowledge and skills teacher candidates need to deliver digital and blended learning and curriculum and engage students with technology.

Subd. 4. **Expiration and renewal.** (a) Each license the Department of Education issues through its licensing section must bear the date of issue and the name of the state-approved teacher training provider. Licenses must expire and be renewed according to the respective rules the Board of Teaching, the Board of School Administrators, or the commissioner of education adopts. Requirements for renewing a license must include showing satisfactory evidence of successful teaching or administrative experience for at least one school year during the period covered by the license in grades or subjects for which the license is valid or completing such additional preparation as the Board of Teaching prescribes. The Board of School Administrators shall establish requirements for renewing the licenses of supervisory personnel except athletic coaches. The State Board of Teaching shall establish requirements for renewing the licenses of athletic coaches.

(b) **Relicensure Applicants for license renewal** who have been employed as a teacher during the renewal period of their expiring license, as a condition of relicensure license renewal, must present to their local continuing education and relicensure committee or other local relicensure committee evidence of work that demonstrates professional reflection and growth in best teaching practices, including among other things, practices in meeting the varied needs of English learners, from young children to adults under section 124D.59, subdivisions 2 and 2a. The applicant must include a reflective statement of professional accomplishment and the applicant's own assessment of professional growth showing evidence of:

1. Support for student learning;
2. Use of best practices techniques and their applications to student learning;
(3) collaborative work with colleagues that includes examples of collegiality such as attested-to committee work, collaborative staff development programs, and professional learning community work; or

(4) continual professional development that may include (i) job-embedded or other ongoing formal professional learning or (ii) for teachers employed for only part of the renewal period of their expiring license, other similar professional development efforts made during the relicensure period.

The Board of Teaching must ensure that its teacher relicensing requirements also include this paragraph.

(c) The Board of Teaching shall offer alternative continuing relicensure options for license renewal for teachers who are accepted into and complete the National Board for Professional Teaching Standards certification process, and offer additional continuing relicensure options for teachers who earn National Board for Professional Teaching Standards certification. Continuing relicensure requirements for teachers who do not maintain National Board for Professional Teaching Standards certification are those the board prescribes, consistent with this section.

Subd. 4a. Limited Provisional licenses. The board may grant two-year provisional licenses to licensure candidates in a field in which they were not previously licensed or in a field in which a shortage of licensed teachers exists. A shortage is defined as an inadequate supply of licensed personnel in a given licensure area as determined by the commissioner.

Subd. 5. Effective date. Nothing contained herein shall be construed as affecting the validity of a permanent certificate or license issued prior to July 1, 1969.

Subd. 6. Human relations. The Board of Teaching and the commissioner of education shall accept training programs completed through Peace Corps, VISTA, or Teacher Corps in lieu of completing the human relations component of the training program for purposes of issuing or renewing a teaching license in education.

Subd. 7. Limited provisional licenses. The Board of Teaching may grant provisional licenses, which shall be valid for two years, in fields in which licenses were not issued previously or in fields in which a shortage of licensed teachers exists. A shortage is defined as a lack of or an inadequate supply of licensed personnel within a given licensure area in a school district that has notified the Board of Teaching of the shortage and has applied to the Board of Teaching for provisional licenses for that district’s licensed staff.

Subd. 7a. Permission to substitute teach. (a) The Board of Teaching may allow a person who is enrolled in and making satisfactory progress in a board-approved teacher program and who has successfully completed student teaching to be employed as a short-call substitute teacher.
(b) The Board of Teaching may issue a lifetime qualified short-call substitute teaching license to a person who:

(1) was a qualified teacher under section 122A.16 while holding a continuing professional five-year teaching license issued by the board, and receives a retirement annuity from the Teachers Retirement Association or the St. Paul Teachers Retirement Fund Association;

(2) holds an out-of-state teaching license and receives a retirement annuity as a result of the person's teaching experience; or

(3) held a continuing professional five-year teaching license issued by the board, taught at least three school years in an accredited nonpublic school in Minnesota, and receives a retirement annuity as a result of the person's teaching experience.

A person holding a lifetime qualified short-call substitute teaching license is not required to complete continuing education clock hours. A person holding this license may reapply to the board for a continuing professional five-year teaching license and must again complete continuing education clock hours one school year after receiving the continuing professional five-year teaching license.

Subd. 7b. Temporary limited licenses Provisional permission; personnel variances variance; emergency permission. (a) The Board of Teaching must accept applications for a temporary limited teaching license beginning July 1 of the school year for which the license is requested and must issue or deny the temporary limited teaching license within 30 days of receiving the complete application. The Board of Teaching may grant a two-year provisional permission to a licensure candidate in a field in which a shortage of licensed teachers exists. A shortage is defined as an inadequate supply of licensed personnel in a given licensure area as determined by the commissioner.

(b) The board may grant a one-year personnel variance to a licensed teacher in a field in which they were not previously licensed. The Board of Teaching must accept applications for a personnel variance beginning July 1 of the school year for which the variance is requested and must issue or deny the personnel variance within 30 days of receiving the complete application.

(c) The board may grant a one-year emergency permission to a nonlicensed applicant based on a district's satisfactory demonstration of need. The board must accept an application for an emergency permission beginning on July 1 of the school year for which the permission is requested and must issue or deny the emergency permission within 30 days of receiving the complete application.

Subd. 7c. Temporary military license. The Board of Teaching shall establish a temporary license in accordance with section 197.4552 for teaching. The fee for a
Subdivision 1. Licensure applications. Each application for the issuance, renewal, or extension of a license to teach, including applications for licensure via portfolio under subdivision 2, must be accompanied by a processing fee of $57. Each application for issuing, renewing, or extending the license of a school administrator or supervisor must be accompanied by a processing fee in the amount set by the Board of Teaching School Administrators. The processing fee for a teacher's license and for the licenses of supervisory personnel must be paid to the executive secretary of the appropriate board. The executive secretary of the board shall deposit the fees with the commissioner of management and budget. The fees as set by the board are nonrefundable for applicants not qualifying for a license. However, a fee must be refunded by the commissioner of management and budget for:
in any case in which the applicant already holds a valid unexpired license. The board may
waive or reduce fees for applicants who apply at the same time for more than one license.

Subd. 2. Licensure via portfolio. (a) An eligible candidate may use licensure via
portfolio to obtain an initial licensure a professional five-year teaching license or to add a
licensure field, consistent with applicable Board of Teaching licensure rules.

(b) A candidate for initial licensure a professional five-year teaching license must
submit to the Educator Licensing Division at the department one portfolio demonstrating
pedagogical competence and one portfolio demonstrating content competence.

(c) A candidate seeking to add a licensure field must submit to the Educator
Licensing Division at the department one portfolio demonstrating content competence.

(d) The Board of Teaching must notify a candidate who submits a portfolio under
paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not
the portfolio was approved. If the portfolio was not approved, the board must immediately
inform the candidate how to revise the portfolio to successfully demonstrate the requisite
competence. The candidate may resubmit a revised portfolio at any time and the Educator
Licensing Division at the department must approve or disapprove the portfolio within
60 calendar days of receiving it.

(e) A candidate must pay to the executive secretary of the Board of Teaching a
$300 fee for the first portfolio submitted for review and a $200 fee for any portfolio
submitted subsequently. The fees must be paid to the executive secretary of the Board of
Teaching. The revenue generated from the fee must be deposited in an education licensure
portfolio account in the special revenue fund. The fees set by the Board of Teaching are
nonrefundable for applicants not qualifying for a license. The Board of Teaching may
waive or reduce fees for candidates based on financial need.

Sec. 8. Minnesota Statutes 2015 Supplement, section 122A.23, is amended to read:

122A.23 APPLICANTS TRAINED IN OTHER STATES.

Subdivision 1. Preparation equivalency. When a license to teach is authorized to
be issued to any holder of a diploma or a degree of a Minnesota state university, or of the
University of Minnesota, or of a liberal arts university, or a technical training institution,
such license may also, in the discretion of the Board of Teaching or the commissioner of
education, whichever has jurisdiction, be issued to any holder of a diploma or a degree of a
teacher training institution of equivalent rank and standing of any other state. The diploma
or degree must be granted by virtue of completing coursework in teacher preparation as
preliminary to the granting of a diploma or a degree of the same rank and class. For
purposes of granting a Minnesota teaching license to a person who receives a diploma or
degree from a state-accredited, out-of-state teacher training program leading to licensure, the Board of Teaching must establish criteria and streamlined policies and procedures by January 1, 2016, to recognize the experience and professional credentials of the person holding the out-of-state diploma or degree and allow that person to demonstrate to the board the person's qualifications for receiving a Minnesota teaching license based on performance measures the board adopts by January 1, 2016, under this section.

Subd. 2. Applicants licensed in other states. (a) Subject to the requirements of sections 122A.18, subdivision 8, and 123B.03, the Board of Teaching must issue a professional five-year teaching license or a temporary initial professional one-year teaching license under paragraphs (c) to (f) to an applicant who holds at least a baccalaureate degree from a regionally accredited college or university and holds or held an out-of-state teaching license that requires the applicant to successfully complete a teacher preparation program approved by the issuing state, which includes either (1) field-specific teaching methods, student teaching, or equivalent experience, or (2) at least two years of teaching experience as the teacher of record in a similar licensure field area.

(b) The Board of Teaching may issue a standard professional five-year teaching license on the basis of teaching experience and examination requirements only.

(c) The Board of Teaching must issue a professional five-year teaching license to an applicant who:

(1) successfully completed all exams and human relations preparation components required by the Board of Teaching; and

(2) holds or held an out-of-state teaching license to teach a similar content field and grade levels if the scope of the out-of-state license is no more than two grade levels less than a similar Minnesota license, and either (i) has completed field-specific teaching methods, student teaching, or equivalent experience, or (ii) has at least two years of teaching experience as the teacher of record in a similar licensure field area.

(d) The Board of Teaching, consistent with board rules and paragraph (i), must issue up to four one-year temporary initial professional one-year teaching licenses to an applicant who holds or held an out-of-state teaching license to teach a similar content field licensure area and grade levels, where the scope of the out-of-state license is no more than two grade levels less than a similar Minnesota license, but has not successfully completed all exams and human relations preparation components required by the Board of Teaching. The board must issue a professional five-year teaching license to an applicant who successfully completes the requirements under this paragraph.

(e) The Board of Teaching, consistent with board rules, must issue up to four initial professional one-year temporary teaching licenses to an applicant who:
(1) successfully completed all exams and human relations preparation components required by the Board of Teaching; and

(2) holds or held an out-of-state teaching license to teach a similar content field licensure area and grade levels, where the scope of the out-of-state license is no more than two grade levels less than a similar Minnesota license, but has not completed field-specific teaching methods or student teaching or equivalent experience.

The applicant may complete field-specific teaching methods and student teaching or equivalent experience by successfully participating in a one-year school district mentorship program consistent with board-adopted standards of effective practice and Minnesota graduation requirements. If no school district mentorship program is available, the applicant must complete field-specific teaching methods coursework while serving as a teacher of record and providing classroom instruction in the applicant's field of licensure. The board must issue a professional five-year teaching license to an applicant who successfully completes the requirements under this paragraph.

(f) The Board of Teaching must issue a restricted teaching license for only in the content field or grade levels specified in the out-of-state license to an applicant who:

(1) successfully completed all exams and human relations preparation components required by the Board of Teaching; and

(2) holds or held an out-of-state teaching license where the out-of-state license is more limited in the content field or grade levels than a similar Minnesota license.

(f) The Board of Teaching must issue to an applicant with an out-of-state teaching license up to four initial professional one-year teaching licenses that are restricted in content or grade levels specified in the out-of-state license if the applicant's out-of-state teaching license is more limited than a similar Minnesota license in content field or grade levels. The Board of Teaching must issue a professional five-year teaching license to an applicant who successfully completes all exams and human relations preparation components required by the Board of Teaching. Any content or grade level restriction placed on a license under this paragraph remains in effect.

(g) The Board of Teaching may issue a two-year limited provisional license permission to an applicant under this subdivision to teach in a shortage area, consistent with section 122A.18, subdivision 4a.

(h) The Board of Teaching may issue a license under this subdivision if the applicant has attained the additional degrees, credentials, or licenses required in a particular licensure field and the applicant can demonstrate competency by obtaining qualifying scores on the board-adopted skills examination in reading, writing, and mathematics, and
on applicable board-adopted rigorous content area and pedagogy examinations under
section 122A.09, subdivision 4, paragraphs (a) and (e).

(i) The Board of Teaching must require an applicant for a professional five-year

teaching license or a temporary an initial professional one-year teaching license under

this subdivision to pass a board-adopted skills examination in reading, writing, and

mathematics before the board issues the license unless, notwithstanding other provisions

of this subdivision, an applicable board-approved National Association of State Directors

of Teacher Education and Certification interstate reciprocity agreement exists to allow

fully certified teachers from other states to transfer their certification to Minnesota.

Subd. 3. **Teacher licensure agreements with adjoining states.** (a) Notwithstanding

any other law to the contrary, the Board of Teaching must enter into a National Association

of State Directors of Teacher Education and Certification (NASDTEC) interstate

agreement and other interstate agreements for teacher licensure to allow fully certified

teachers from adjoining states to transfer their certification to Minnesota. The board must

enter into these interstate agreements only after determining that the rigor of the teacher

licensure or certification requirements in the adjoining state is commensurate with the

rigor of Minnesota's teacher licensure requirements. The board may limit an interstate

agreement to particular content fields or grade levels based on established priorities or

identified shortages. This subdivision does not apply to out-of-state applicants holding

only a provisional teaching license.

(b) The Board of Teaching must work with designated authorities in adjoining states

to establish interstate teacher licensure agreements under this section.

Sec. 9. Minnesota Statutes 2014, section 122A.245, as amended by Laws 2015, First

Special Session chapter 3, article 2, sections 19 to 21, is amended to read:

**122A.245 ALTERNATIVE TEACHER PREPARATION PROGRAM AND**

**LIMITED-TERM PRELIMINARY TEACHER LICENSE.**

Subdivision 1. **Requirements.** (a) To improve academic excellence, improve

ethnic and cultural diversity in the classroom, and close the academic achievement gap,

the Board of Teaching must approve qualified teacher preparation programs under this

section that are a means to acquire a two-year limited-term preliminary teacher license,

which the board may renew one time for an additional one-year term, and to prepare for

acquiring a standard professional five-year license. The following entities are eligible
to participate under this section:
(a) a school district, charter school, or nonprofit corporation organized under chapter 317A for an education-related purpose that forms a partnership with a college or university that has a board-approved alternative teacher preparation program; or

(b) a school district or charter school, after consulting with a college or university with a board-approved teacher preparation program, that forms a partnership with a nonprofit corporation organized under chapter 317A for an education-related purpose that has a board-approved teacher preparation program.

(b) Before becoming a teacher of record, a candidate must:

(1) have a bachelor's degree with a 3.0 or higher grade point average unless the board waives the grade point average requirement based on board-adopted criteria adopted by January 1, 2016;

(2) demonstrate a passing score on a board-adopted reading, writing, and mathematics skills examination under section 122A.09, subdivision 4, paragraph (b); and

(3) obtain qualifying scores on applicable board-approved rigorous content area and pedagogy examinations under section 122A.09, subdivision 4, paragraph (e).

(c) The Board of Teaching must issue a two-year limited-term preliminary teacher license to a person who enrolls in an alternative teacher preparation program.

Subd. 2. Characteristics. An alternative teacher preparation program under this section must include:

(1) a minimum 200-hour instructional phase that provides intensive preparation and student teaching before the teacher candidate assumes classroom responsibilities;

(2) a research-based and results-oriented approach focused on best teaching practices to increase student proficiency and growth measured against state academic standards;

(3) strategies to combine pedagogy and best teaching practices to better inform teacher candidates' classroom instruction;

(4) assessment, supervision, and evaluation of teacher candidates to determine their specific needs throughout the program and to support their efforts to successfully complete the program;

(5) intensive, ongoing, and multiyear professional learning opportunities that accelerate teacher candidates' professional growth, support student learning, and provide a workplace orientation, professional staff development, and mentoring and peer review focused on standards of professional practice and continuous professional growth; and

(6) a requirement that teacher candidates demonstrate to the local site team under subdivision 5 satisfactory progress toward acquiring a standard license professional five-year teaching licenses from the Board of Teaching.
Subd. 3. **Program approval; disapproval.** (a) The Board of Teaching must approve alternative teacher preparation programs under this section based on board-adopted criteria that reflect best practices for alternative teacher preparation programs, consistent with this section.

(b) The board must permit teacher candidates to demonstrate mastery of pedagogy and content standards in school-based settings and through other nontraditional means. "Nontraditional means" must include a portfolio of previous experiences, teaching experience, educator evaluations, certifications marking the completion of education training programs, and essentially equivalent demonstrations.

(c) The board must use nontraditional criteria to determine the qualifications of program instructors.

(d) The board may permit instructors to hold a baccalaureate degree only.

(e) If the Board of Teaching determines that a teacher preparation program under this section does not meet the requirements of this section, it may revoke its approval of the program after it notifies the program provider of any deficiencies and gives the program provider an opportunity to remedy the deficiencies.

Subd. 4. **Employment conditions.** Where applicable, teacher candidates with a limited term a preliminary teacher license under this section are members of the local employee organization representing teachers and subject to the terms of the local collective bargaining agreement between the exclusive representative of the teachers and the school board. A collective bargaining agreement between a school board and the exclusive representative of the teachers must not prevent or restrict or otherwise interfere with a school district's ability to employ a teacher prepared under this section.

Subd. 5. **Approval for standard professional five-year license.** A school board or its designee must appoint members to a local site team that includes teachers, school administrators, and postsecondary faculty under subdivision 1, paragraph (a), clause (1), or staff of a participating nonprofit corporation under subdivision 1, paragraph (a), clause (2), to evaluate the performance of the teacher candidate. The evaluation must be consistent with board-adopted performance measures, use the Minnesota state standards of effective practice and subject matter content standards for teachers established in Minnesota Rules, and include a report to the board recommending whether or not to issue the teacher candidate a standard professional five-year teaching license.

Subd. 6. **Applicants trained in other states.** A person who successfully completes another state's alternative teacher preparation program, consistent with section 122A.23, subdivision 1, may apply to the Board of Teaching for a standard an initial professional one-year teaching license under subdivision 7 or a professional five-year teaching license.
Subd. 7. **Standard Professional five-year license.** The Board of Teaching must issue a **standard** professional five-year teaching license to an otherwise qualified teacher candidate under this section who successfully performs throughout a program under this section, obtains qualifying scores on applicable board-adopted rigorous skills, pedagogy, and content area examinations under section 122A.09, subdivision 4, paragraphs (a) and (e), and is recommended for licensure under subdivision 5 or successfully demonstrates to the board qualifications for licensure under subdivision 6.

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.

Subd. 9. **Exchange of best practices.** By July 31 in an even-numbered year, a program participant and approved alternative preparation program providers, the Minnesota State Colleges and Universities, the University of Minnesota, the Minnesota Private College Council, and the Department of Education must exchange information about best practices and educational innovations.

Subd. 10. **Reports.** The Board of Teaching must submit an interim report on the efficacy of this program to the policy and finance committees of the legislature with jurisdiction over kindergarten through grade 12 education by February 15, 2013, and a final report by February 15, 2015.

Sec. 10. Minnesota Statutes 2014, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A person who teaches in a community education program which qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for community education aid pursuant to section 124D.20 or early childhood and family education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher.

(b) A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the Board of Teaching or be subject to section 171.35. A license which is required for an instructor in a community education program pursuant to this subdivision paragraph shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).
EFFECTIVE DATE. This section is effective for the 2016-2017 school year and
later.

Sec. 11. Minnesota Statutes 2015 Supplement, section 122A.40, subdivision 8, is
amended to read:

Subd. 8. Development, evaluation, and peer coaching for continuing contract
teachers. (a) To improve student learning and success, a school board and an exclusive
representative of the teachers in the district, consistent with paragraph (b), may develop
a teacher evaluation and peer review process for probationary and continuing contract
teachers through joint agreement. If a school board and the exclusive representative of the
teachers do not agree to an annual teacher evaluation and peer review process, then the
school board and the exclusive representative of the teachers must implement the state
teacher evaluation plan under paragraph (c). The process must include having trained
observers serve as peer coaches or having teachers participate in professional learning
communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching
practices and improve student learning and success, and provide all enrolled students
in a district or school, including low-income students, American Indian students, and
students of color with improved and equitable access to more diverse teachers, the annual
evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under
subdivision 5;

(2) must establish a three-year professional review cycle for each teacher that
includes an individual growth and development plan, a peer review process, and at least
one summative evaluation performed by a qualified and trained evaluator such as a school
administrator. For the years when a tenured teacher is not evaluated by a qualified and
trained evaluator, the teacher must be evaluated by a peer review;

(3) must be based on professional teaching standards established in rule;

(4) must coordinate staff development activities that improve cultural fluency
and competency under sections 122A.60 and 122A.61 with this evaluation process and
teachers’ evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and
teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning
communities;
(7) may include mentoring and induction programs for teachers, including teachers
who are members of populations underrepresented among the licensed teachers in
the district or school and who reflect the diversity of students under section 120B.35,
subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio
demonstrating evidence of reflection and professional growth, consistent with section
122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment
based on student work samples and examples of teachers' work, which may include video
among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local
academic standards and must use state and local measures of student growth and literacy
that may include value-added models or student learning goals to determine 35 percent of
teacher evaluation results;

(10) must use longitudinal data on student engagement and connection, and other
student outcome measures explicitly aligned with the elements of culturally responsive
curriculum for which teachers are responsible, including academic literacy, oral academic
language, and achievement of content areas of English learners;

(11) must require qualified and trained evaluators such as school administrators to
perform summative evaluations and ensure school districts and charter schools provide for
effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses
(3) through (11) support to improve through a teacher improvement process that includes
established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher
improvement process under clause (12) that may include a last chance warning,
ton termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or
other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data
under section 13.43. The observation and interview notes of peer coaches may only be
disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent
organizations and teacher and administrator representatives appointed by their respective
organizations, representing the Board of Teaching, the Minnesota Association of School
Administrators, the Minnesota School Boards Association, the Minnesota Elementary
and Secondary Principals Associations, Education Minnesota, and representatives of
the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota

Article 7 Sec. 11.  

Chamber of Commerce, and Minnesota postsecondary institutions with research expertise
in teacher evaluation, must create and publish a teacher evaluation process that complies
with the requirements in paragraph (b) and applies to all teachers under this section and
section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher
evaluation and peer review process. The teacher evaluation process created under this
subdivision does not create additional due process rights for probationary teachers under
subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:
(1) for students in kindergarten through grade 4, a school administrator must not
place or approve the placement of a student in the classroom of a teacher who is in the
improvement process referenced in paragraph (b), clause (12), or has not had a summative
evaluation if, in the prior year, that student was in the classroom of a teacher who received
discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
teaches that grade; and
(2) for students in grades 5 through 12, a school administrator must not place
or approve the placement of a student in the classroom of a teacher who is in the
improvement process referenced in paragraph (b), clause (12), or has not had a summative
evaluation if, in the prior year, that student was in the classroom of a teacher who received
discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
teaches that subject area and grade.
All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 12. Minnesota Statutes 2015 Supplement, section 122A.41, subdivision 5, is
amended to read:

Subd. 5. **Development, evaluation, and peer coaching for continuing contract
teachers.** (a) To improve student learning and success, a school board and an exclusive
representative of the teachers in the district, consistent with paragraph (b), may develop an
annual teacher evaluation and peer review process for probationary and nonprobationary
teachers through joint agreement. If a school board and the exclusive representative of
the teachers in the district do not agree to an annual teacher evaluation and peer review
process, then the school board and the exclusive representative of the teachers must
implement the state teacher evaluation plan developed under paragraph (c). The process
must include having trained observers serve as peer coaches or having teachers participate
in professional learning communities, consistent with paragraph (b).
(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school, including low-income students, American Indian students, and students of color with improved and equitable access to more diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

(3) must be based on professional teaching standards established in rule;

(4) must coordinate staff development activities that improve cultural fluency and competency under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;

(5) may provide time during the school day and school year for peer coaching and teacher collaboration;

(6) may include job-embedded learning opportunities such as professional learning communities;

(7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.18, subdivision 4, paragraph (b), and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;

(9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;

(10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of culturally responsive curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;
(11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;

(12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and

(13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Board of Teaching, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative
evaluation if, in the prior year, that student was in the classroom of a teacher who received
discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school
teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

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

Sec. 13. Minnesota Statutes 2015 Supplement, section 122A.60, subdivision 1, is
amended to read:

Subdivision 1. **Staff development committee.** (a) A school board must use the
revenue authorized in section 122A.61 for:

(1) teacher development and evaluation plans under section 122A.40, subdivision 8,
or 122A.41, subdivision 5, and at the request of a teacher and their mentor or peer coach,
applications relating to the teacher's individual growth plan or recommendations resulting
from the peer review process;

(2) principal development and evaluation under section 123B.147, subdivision 3;

(3) in-service education programs under section 120B.22, subdivision 2; and

(4) other staff development needs.

(b) The board must establish an advisory staff development committee to develop
the plan, assist site professional development teams in developing a site plan consistent
with the goals of the plan, and evaluate staff development efforts at the site level. A
majority of the advisory committee and the site professional development team must be
teachers representing various grade levels, subject areas, and special education. The
advisory committee must also include nonteaching staff, parents, and administrators.

(c) "Teacher" under this section includes all individuals classified as teachers under
section 179A.03 or section 122A.61.

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

Sec. 14. Minnesota Statutes 2014, section 123B.147, subdivision 3, is amended to read:

**Subd. 3. Duties; evaluation.** (a) The principal shall provide administrative,
supervisory, and instructional leadership services, under the supervision of the
superintendent of schools of the district and according to the policies, rules, and
regulations of the school board, for the planning, management, operation, and evaluation
of the education program of the building or buildings to which the principal is assigned.
(b) To enhance a principal's leadership skills and support and improve teaching practices, school performance, and student achievement for diverse student populations, including at-risk students, children with disabilities, English learners, and gifted students, among others, a district must develop and implement a performance-based system for annually evaluating school principals assigned to supervise a school building within the district. The evaluation must be designed to improve teaching and learning by supporting the principal in shaping the school's professional environment and developing teacher quality, performance, and effectiveness, and cultural fluency and competency. The annual evaluation must:

1. support and improve a principal's instructional leadership, organizational management, and professional development, and strengthen the principal's capacity in the areas of instruction, supervision, evaluation, and teacher development by, among other things, hiring, supporting, and retaining a diverse teaching staff that reflects the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

2. include formative and summative evaluations based on multiple measures of student progress toward career and college readiness;

3. be consistent with a principal's job description, a district's long-term plans and goals, and the principal's own professional multiyear growth plans and goals, all of which must support the principal's leadership behaviors and practices, rigorous curriculum, school performance, students' improved and equitable access to effective and more diverse teachers, and high-quality instruction;

4. include on-the-job observations and previous evaluations;

5. allow surveys to help identify a principal's effectiveness, leadership skills and processes, and strengths and weaknesses in exercising leadership in pursuit of school success;

6. use longitudinal data on student academic growth as 35 percent of the evaluation and incorporate district achievement goals and targets;

7. be linked to professional development that emphasizes improved teaching and learning, curriculum and instruction, student learning, and a collaborative professional culture, and students' increased and equitable access to effective and more diverse teachers, consistent with attaining the world's best workforce under section 120B.11, subdivision 1, paragraph (c); and

8. for principals not meeting standards of professional practice or other criteria under this subdivision, implement a plan to improve the principal's performance and specify the procedure and consequence if the principal's performance is not improved.
The provisions of this paragraph are intended to provide districts with sufficient flexibility to accommodate district needs and goals related to developing, supporting, and evaluating principals.

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

Sec. 15. Minnesota Statutes 2014, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, or another location, according to an agreement between a public school board and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section shall apply to a pupil, public school board, district, and the governing body of a postsecondary institution, except as otherwise provided.

(b) To encourage American Indian students under section 124D.72 and other students to consider teaching as a profession, participating public school boards and the governing boards of eligible public postsecondary systems and eligible private postsecondary institutions may develop and offer an "introduction to teaching" course under this subdivision.

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

Sec. 16. Minnesota Statutes 2014, section 124D.861, as amended by Laws 2015, chapter 21, article 1, section 20, is amended to read:

**124D.861 ACHIEVEMENT AND INTEGRATION FOR MINNESOTA.**

Subdivision 1. **Program to close the academic achievement and opportunity gap; revenue uses.** (a) The "Achievement and Integration for Minnesota" program is established to pursue racial and economic integration and increase student academic achievement, create equitable educational opportunities, and reduce academic disparities based on students' diverse racial, ethnic, and economic backgrounds in Minnesota public schools.

(b) For purposes of this section and section 124D.862, "eligible district" means a district required to submit a plan to the commissioner under Minnesota Rules governing school desegregation and integration, or be a member of a multidistrict integration collaborative that files a plan with the commissioner.
(c) Eligible districts must use the revenue under section 124D.862 to pursue academic achievement and racial and economic integration through:

1. integrated learning environments that give students improved and equitable access to effective and more diverse teachers, prepare all students to be effective citizens and enhance social cohesion;

2. policies and curricula and trained, culturally fluent and competent instructors, administrators, school counselors, and other advocates to support and enhance integrated learning environments under this section, including through magnet schools, innovative, research-based instruction, differentiated instruction, improved and equitable access to effective and diverse teachers, and targeted interventions to improve achievement; and

3. rigorous career and college readiness programs and effective and more diverse instructors for underserved student populations, consistent with section 120B.30, subdivision 1; integrated learning environments to increase student academic achievement; cultural fluency, competency, and interaction; graduation and educational attainment rates; and parent involvement.

Subd. 2. Plan implementation; components. (a) The school board of each eligible district must formally develop and implement a long-term plan under this section. The plan must be incorporated into the district’s comprehensive strategic plan under section 120B.11. Plan components may include: innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices; family engagement initiatives that involve families in their students’ academic life and success; professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including teachers and administrators who are members of populations underrepresented among the licensed teachers or administrators in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school; increased programmatic opportunities and effective and more diverse instructors focused on rigor and college and career readiness for underserved students, including students enrolled in alternative learning centers under section 123A.05, public alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students; or recruitment and retention of teachers and administrators with diverse racial and ethnic backgrounds. The plan must contain goals for:

1. reducing the disparities in academic achievement and in equitable access to effective and more diverse teachers among all students and specific categories of students under section 120B.35, subdivision 3, paragraph (b), excluding the student categories of gender, disability, and English learners; and
(2) increasing racial and economic diversity and integration in schools and districts.

(b) Among other requirements, an eligible district must implement effective, research-based interventions that include formative assessment practices to reduce the disparities in student academic performance among the specific categories of students as measured by student progress and growth on state reading and math assessments and as aligned with section 120B.11.

(c) Eligible districts must create efficiencies and eliminate duplicative programs and services under this section, which may include forming collaborations or a single, seven-county metropolitan areawide partnership of eligible districts for this purpose.

Subd. 3. Public engagement; progress report and budget process. (a) To receive revenue under section 124D.862, the school board of an eligible district must incorporate school and district plan components under section 120B.11 into the district's comprehensive integration plan.

(b) A school board must hold at least one formal annual hearing to publicly report its progress in realizing the goals identified in its plan. At the hearing, the board must provide the public with longitudinal data demonstrating district and school progress in reducing the disparities in student academic performance among the specified categories of students, in improving students' equitable access to effective and more diverse teachers, and in realizing racial and economic diversity and integration, consistent with the district plan and the measures in paragraph (a). At least 30 days before the formal hearing under this paragraph, the board must post its plan, its preliminary analysis, relevant student performance data, and other longitudinal data on the district's Web site. A district must hold one hearing to meet the hearing requirements of both this section and section 120B.11.

(c) The district must submit a detailed budget to the commissioner by March 15 in the year before it implements its plan. The commissioner must review, and approve or disapprove the district's budget by June 1 of that year.

(d) The longitudinal data required under paragraph (b) must be based on student growth and progress in reading and mathematics, as defined under section 120B.30, subdivision 1, and student performance data and achievement reports from fully adaptive reading and mathematics assessments for grades 3 through 7 beginning in the 2015-2016 school year under section 120B.30, subdivision 1a, and either (i) school enrollment choices, (ii) the number of world language proficiency or high achievement certificates awarded under section 120B.022, subdivision 1a, or the number of state bilingual and multilingual seals issued under section 120B.022, subdivision 1b, or (iii) school safety and students' engagement and connection at school under section 120B.35, subdivision 3, paragraph (d). Additional longitudinal data may be based on: students' progress toward
career and college readiness under section 120B.30, subdivision 1; or rigorous coursework completed under section 120B.35, subdivision 3, paragraph (c), clause (2).

Subd. 4. **Timeline and implementation.** A board must approve its plan and submit it to the department by March 15. If a district that is part of a multidistrict council applies for revenue for a plan, the individual district shall not receive revenue unless it ratifies the plan adopted by the multidistrict council. Each plan has a term of three years. For the 2014-2015 school year, an eligible district under this section must submit its plan to the commissioner for review by March 15, 2014. For the 2013-2014 school year only, an eligible district may continue to implement its current plan until the commissioner approves a new plan under this section.

Subd. 5. **Evaluation.** The commissioner must evaluate the efficacy of district plans in reducing the disparities in student academic performance among the specified categories of students within the district, improving students' equitable access to effective and diverse teachers, and in realizing racial and economic diversity and integration. The commissioner shall report evaluation results to the kindergarten through grade 12 education committees of the legislature by February 1 of every odd-numbered year.

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

Sec. 17. Minnesota Statutes 2015 Supplement, section 127A.05, subdivision 6, is amended to read:

Subd. 6. **Survey of districts.** The commissioner of education shall survey the state's school districts and teacher preparation programs and report to the education committees of the legislature by February 1 of each odd-numbered year on the status of teacher early retirement patterns, access to effective and more diverse teachers who reflect the students under section 120B.35, subdivision 3, paragraph (b), clause (2), enrolled in a district or school, the teacher shortage, and the substitute teacher shortage, including teacher hiring and retention patterns and shortages in by subject areas and the economic development regions of the state. The report must also include: aggregate data on teachers' self-reported race and ethnicity; data on how districts are making progress in hiring and providing enrolled students with improved and equitable access to effective and more diverse teachers and substitutes in the areas of shortage; and a five-year projection of teacher demand for each district, taking into account the students under section 120B.35, subdivision 3, paragraph (b), clause (2), expected to enroll in the district during that five-year period.
EFFECTIVE DATE. This section is effective for the 2016-2017 school year and later.

Sec. 18. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) The terms used in this section have the meanings given them in this subdivision.

(b) "Qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational and living expenses related to a teacher's preparation or further education.

(c) "School district" means an independent school district, special school district, intermediate district, education district, special education cooperative, service cooperative, a cooperative center for vocational education, or a charter school located in Minnesota.

(d) "Teacher" means an individual holding a teaching license issued by the licensing division in the Department of Education on behalf of the Board of Teaching who is employed by a school district to provide classroom instruction in a teacher shortage area.

(e) "Teacher shortage area" means the licensure fields and economic development regions reported by the commissioner of education as experiencing a teacher shortage or the school districts where minority populations are underrepresented among licensed teachers, consistent with section 127A.05, subdivision 6, and applicable federal law.

(f) "Commissioner" means the commissioner of the Office of Higher Education unless indicated otherwise.

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

Sec. 19. Minnesota Statutes 2015 Supplement, section 136A.1791, subdivision 3, is amended to read:

Subd. 3. Use of report on teacher shortage areas. The commissioner of education shall use the teacher supply and demand report to the legislature to identify the licensure fields and economic development regions in Minnesota experiencing a teacher shortage and the school districts where minority populations are underrepresented among licensed teachers, consistent with section 127A.05, subdivision 6, and applicable federal law.

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

Sec. 20. CAREER AND TECHNICAL EDUCATOR LICENSING ADVISORY TASK FORCE.
Subdivision 1. Creation. The Career and Technical Educator Licensing Advisory Task Force consists of the following members, appointed by the commissioner of education, unless otherwise specified:

(1) one person who is a member of the Board of Teaching;
(2) one person representing colleges and universities offering a board-approved teacher preparation program;
(3) one person representing science, technology, engineering, and math programs, such as Project Lead the Way;
(4) one person designated by the Board of the Minnesota Association for Career and Technical Administrators;
(5) one person designated by the Board of the Minnesota Association for Career and Technical Education;
(6) three people who are secondary school administrators, including superintendents, principals, and assistant principals; and
(7) two people who are members of other interested groups, as determined by the commissioner of education.

The commissioner and designating authorities must make their initial appointments and designations by July 1, 2016. The commissioner and designating authorities, to the extent practicable, should make appointments balanced as to gender and reflecting the ethnic diversity of the state population.

Subd. 2. Duties; report. The task force must review the current status of career and technical educator licenses and provide recommendations on changes, if any are deemed necessary, to the licensure requirements and methods to increase access for school districts to licensed career and technical educators. The task force must report its findings and recommendations, with draft legislation if needed to implement the recommendations, to the chairs and ranking minority members of the legislative committees with jurisdiction over kindergarten through grade 12 education and higher education by January 15, 2017.

Subd. 3. First meeting. The commissioner of education or the commissioner's designee must convene the first meeting of the task force by September 1, 2016.

Subd. 4. Administrative support. The commissioner of education must provide meeting space and administrative services for the task force.

Subd. 5. Chair. The commissioner of education or the commissioner's designee shall serve as chair of the task force.
Subd. 6. Compensation. The public members of the task force serve without
compensation or payment of expenses.

Subd. 7. Expiration. The task force expires January 16, 2017, or upon submission
of the report required in subdivision 2, whichever is earlier.

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

Sec. 21. LEGISLATIVE TASK FORCE ON TEACHER LICENSURE.

(a) A 12-member legislative task force on teacher licensure is created to review the
2016 report prepared by the Office of the Legislative Auditor on the Minnesota teacher
licensure program 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, clarify existing teacher licensure responsibilities to provide
transparency and consistency. In developing its recommendations, the task force must
consider the tiered licensure system recommended in the legislative auditor's report,
among other recommendations. The task force must identify and include in its report any
statutory changes needed to implement the task force recommendations.

(b) The legislative task force on teacher licensure includes:

(1) six duly elected and currently serving senators, three appointed by the senate
majority leader and three appointed by the senate minority leader; and

(2) six duly elected and currently serving members of the house of representatives,
three appointed by the speaker and three appointed by the house minority leader.

Only duly elected and currently serving members of the senate or house of representatives
may be task force 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
task force member belonged must fill the vacancy. A senate member appointed by the
senate majority leader shall convene the first meeting of the task force. The task force
shall elect a chair or cochairs from among the members at the first meeting. The task force
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 task force must consult with interested and affected stakeholders, including
representatives of the Board of Teaching, Minnesota Department of Education, Education
Minnesota, MinnCAN, Minnesota Business Partnership, Minnesota Rural Education
Association, Association of Metropolitan School Districts, Minnesota Association of
Colleges for Teacher Education, College of Education and Human Development at the
University of Minnesota, Minnesota State Colleges and Universities, Minnesota Private
College Council, Minnesota School Boards Association, Minnesota Elementary School
Principals' Association, Minnesota Association of Secondary School Principals, Minnesota
Association of School Administrators, Minnesota Indian Affairs Council, the Council on
Asian Pacific Minnesotans, Council for Minnesotans of African Heritage, Minnesota
Council on Latino Affairs, and Minnesota Teach For America, among other stakeholders.
(e) The task force expires February 2, 2017, unless extended by law.

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

Sec. 22. REPEALER.

Minnesota Statutes 2014, section 122A.245, subdivision 8, is repealed.

ARTICLE 8

EARLY CHILDHOOD

Section 1. Minnesota Statutes 2015 Supplement, section 124D.165, subdivision 2, is amended to read:

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

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

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

(b) Notwithstanding the other provisions of this section, a parent under age 21 who is pursuing a high school or general education equivalency diploma is eligible for an early learning scholarship if the parent has a child age zero to five years old and meets the income eligibility guidelines in this subdivision.
(c) Any siblings between the ages zero to five years old of a child who has been awarded a scholarship under this section must be awarded a scholarship upon request, provided the sibling attends the same program as long as funds are available.

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

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

(f) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

(g) A child whose family is homeless and meets the criteria in paragraph (a), clause (1), is eligible for an early learning scholarship under this section.

ARTICLE 9

CHARTER SCHOOL RECODIFICATION

Section 1. Minnesota Statutes 2015 Supplement, section 124E.01, is amended to read:

124E.01 PURPOSE AND APPLICABILITY.

Subdivision 1. Purposes. The primary purpose of this chapter charter schools is to improve all pupil learning and all student achievement. Additional purposes include to:

1. increase learning opportunities for all pupils;

2. encourage the use of different and innovative teaching methods;

3. measure learning outcomes and create different and innovative forms of measuring outcomes;

4. establish new forms of accountability for schools; or

5. create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

Subd. 2. Applicability. This chapter applies only to charter schools formed and operated under this chapter. Other statutes and rules that specifically apply to charter schools also govern charter schools.
Sec. 2. Minnesota Statutes 2015 Supplement, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

(a) For purposes of this chapter, the terms defined in this paragraph section have the meanings given them.

"Application" means the proposal an eligible authorizer submits to the commissioner under section 124E.05 before that authorizer is able to submit any affidavit to charter to a school.

"Application" under section 124E.06 means the charter school business plan a school developer submits to an authorizer for approval to establish a charter school that documents the school developer's mission statement, school purposes, program design, financial plan, governance and management structure, and background and experience, plus any other information the authorizer requests. The application also shall include a "statement of assurances" of legal compliance prescribed by the commissioner.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(b) For purposes of this chapter:

(1) "related party" means an affiliate or immediate relative of the other party in question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

(2) (c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(d) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

(3) (e) "Immediate family" means an individual whose relationship by blood, marriage, adoption, or partnership is no more remote than first cousin;

(4) (f) "Person" means an individual or entity of any kind; and

(5) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether through ownership of voting securities, by contract, or otherwise.

(g) "Related party" means an affiliate or immediate relative of the other interested party, an affiliate of an immediate relative who is the other interested party, or an immediate relative of an affiliate who is the other interested party.

(h) For purposes of this chapter, the terms defined in section 120A.05 have the same meanings.

Sec. 3. Minnesota Statutes 2015 Supplement, section 124E.03, is amended to read:
124E.03 APPLICABLE LAW.

Subdivision 1. Public status; exemption from statutes and rules. A charter school is a public school and is part of the state's system of public education. A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school or is included in this chapter.

Subd. 2. General Certain federal, state, and local requirements. (a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

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

(c) A charter school is subject to and must comply with the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

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

(e) A charter school is subject to must comply with the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(f) A charter school and charter school board of directors are subject to must comply with chapter 181 governing requirements for employment.

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

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

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

Subd. 3. Pupils with a disability. A charter school must comply with sections 125A.02, 125A.03 to 125A.24, 125A.65, and 125A.75 and rules relating to the education of pupils with a disability as though it were a district. A charter school enrolling prekindergarten pupils with a disability under section 124E.11, paragraph (h), must comply with sections 125A.259 to 125A.48 and rules relating to the Interagency Early Intervention System as though it were a school district.

Subd. 4. Students' rights and related law. (a) A charter school student must be released release a student for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).
(b) A charter school is subject to and must comply with chapter 363A governing the Minnesota Human Rights Act and section 121A.04 governing student athletics and sex discrimination in schools.

(c) A charter school must comply with section 121A.031 governing policies on prohibited conduct bullying.

Subd. 5. Records, meetings, and data requirements. (a) A charter school must comply with chapters 13 and 13D governing government data; and sections 120A.22, subdivision 7; 121A.75; governing access to juvenile justice records, and 260B.171, subdivisions 3 and 5, governing juvenile justice records.

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

Subd. 5a. Open meetings. A charter school must comply with chapter 13D governing open meetings.

Subd. 6. Length of school year. A charter school must provide instruction each year for at least the number of hours required by section 120A.41. It may provide instruction throughout the year according to under sections 124D.12 to 124D.127 or 124D.128 governing learning year programs.

Subd. 7. Additional program-specific requirements. (a) A charter school offering online courses or programs must comply with section 124D.095 governing online learning.

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

(c) A charter school that provides school-sponsored youth athletic activities must comply with section 121A.38 governing policies on concussions.

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

124E.05 AUTHORIZERS.

Subdivision 1. Eligible authorizers. (a) The following organizations in this subdivision may authorize one or more charter schools:

(1) (b) A school board, intermediate school district school board, or education district organized under sections 123A.15 to 123A.19; may authorize a charter school.

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

(1) is a member of the Minnesota Council of Nonprofits or the Minnesota Council
on Foundations;

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

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

(4) is not:

(i) a nonpublic sectarian or religious institution;

(ii) any person other than a natural person that directly or indirectly, through one
or more intermediaries, controls, is controlled by, or is under common control with the
nonpublic sectarian or religious institution; or

(iii) any other charitable organization under this paragraph that in the federal IRS
Form 1023, Part IV, describes activities indicating a religious purpose.

(d) A Minnesota private college, notwithstanding clause (2), that grants two- or
four-year degrees and is registered with the Minnesota Office of Higher Education under
chapter 136A, may authorize a charter school, notwithstanding paragraph (c).

(e) community college, a state college or university, or technical college governed
by the Board of Trustees of the Minnesota State Colleges and Universities, or may
authorize a charter school.

(f) The University of Minnesota, may authorize a charter school.

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

(h) A single-purpose authorizers organization formed as a charitable, nonsectarian
organizations organization under section 501(c)(3) of the Internal Revenue Code of 1986
and incorporated in the state of Minnesota under chapter 317A as a corporation with no
members or under section 322B.975 as a nonprofit limited liability company for the sole
purpose of chartering schools may authorize a charter school. An eligible organization
interested in being approved as an authorizer under this paragraph must submit a proposal
to the commissioner that includes the provisions of subdivision 3 and a five-year financial
plan. A single-purpose authorizer under this paragraph shall consider and approve
charter school applications using the criteria under section 124E.06 and shall not limit
the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

Subd. 2. Requirements for authorizers. (a) Eligible organizations interested in being approved as an authorizer under subdivision 1, clause (5), must submit a proposal to the commissioner that includes the provisions of subdivision 2 and a five-year financial plan. Such authorizers shall consider and approve charter school applications using the criteria provided in section 124E.06 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

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

Subd. 3. Application process. (a) An eligible authorizer under this section must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must demonstrate show the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this chapter. The commissioner must approve or disapprove on the application within 45 business days of the application deadline for that application period. If the commissioner disapproves the application, the commissioner must notify the applicant of the specific deficiencies in writing and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. After the 20 business days expire, the commissioner has 15 business days to make a final decision to approve or disapprove the application. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for approval to approve an authorizer, consistent with subdivision 4, must consider the applicant's:

(1) capacity and infrastructure and capacity to serve as an authorizer;
(2) application criteria and process;
(3) contracting process;
(4) ongoing oversight and evaluation processes; and
(5) renewal criteria and processes.

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

Subd. 4. Application content. To be approved as an authorizer, an applicant must include in its application to the commissioner to be an approved authorizer at least the following:

(1) how the organization carries out its mission by 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;

(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 meet the provisions of section 124E.10;

(5) the process to be used for overseeing the schools' compliance with the contract expectations specified in clause (4) that assures, to ensure 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 approve applications adding grade or sites 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 showing 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.

Subd. 5. Review by commissioner. The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner 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.

Subd. 6. Corrective action. (a) If, consistent with this chapter, the commissioner finds that an authorizer has not fulfilled the requirements of this chapter, the commissioner may subject the authorizer to corrective action, which may include terminating the contract with the charter school board of directors of a school it chartered.

The commissioner must notify the authorizer in writing of any findings that may subject the authorizer to corrective action and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action. If the commissioner terminates a contract between an authorizer and a charter school under this paragraph, the commissioner may assist the charter school in acquiring a new authorizer.
(b) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school for:

1. failing to demonstrate the criteria under subdivision 4 of the commissioner approved the authorizer;
2. violating a term of the charting contract between the authorizer and the charter school board of directors;
3. unsatisfactory performance as an approved authorizer; or
4. any good cause shown that provides the commissioner a legally sufficient reason to take corrective action against an authorizer.

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.

Subd. 8. Reports. By September 30 of each year, an authorizer shall submit to the commissioner a statement of income and expenditures related to chartering activities during the previous school year ending June 30. A copy of the statement shall be given to all schools chartered by the authorizer. The authorizer must transmit a copy of the statement to all schools it charters.

Sec. 5. Minnesota Statutes 2015 Supplement, section 124E.06, is amended to read:

124E.06 FORMING A SCHOOL.

Subdivision 1. Individuals eligible to organize. (a) An authorizer, after receiving an application from a charter school developer, may charter either a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under subdivision 4.

(b) "Application" under this section means the charter school business plan a charter school developer submits to an authorizer for approval to establish a charter school. This application must include:

1. the school developer's:
   (i) mission statement;
   (ii) school purposes;
   (iii) program design;
(iv) financial plan;

(v) governance and management structure; and

(vi) background and experience;

(2) any other information the authorizer requests; and

(3) a "statement of assurances" of legal compliance prescribed by the commissioner.

(b)(c) An authorizer shall not approve an application submitted by a charter school developer under paragraph (a) if the application does not comply with subdivision 3,

paragraph (d)(e), and section 124E.01, subdivision 1. The commissioner shall not

approve an affidavit submitted by an authorizer under subdivision 4 if the affidavit does

not comply with subdivision 3, paragraph (d)(e), and section 124E.01, subdivision 1.

Subd. 2. Nonprofit corporation. (a) The school must be organized and operated as

a nonprofit corporation under chapter 317A and the provisions under the applicable of that

chapter shall apply to the school except as provided in this chapter.

(b) The operators authorized to organize and operate a school must incorporate as a

nonprofit corporation before entering into a contract or other agreement for professional

or other services, goods, or facilities, must incorporate as a nonprofit corporation under

chapter 317A.

(c) Notwithstanding sections 465.717 and 465.719, a school district, subject to

this chapter, may create a corporation for the purpose of establishing a charter school.

Subd. 3. Requirements. (a) The primary focus of a charter school must be to

provide a comprehensive program of instruction for at least one grade or age group from

ages five through 18 years of age. Instruction may be provided provide

instruction to people older than 18 years of age.

(b) A charter school may offer a free or fee-based preschool or prekindergarten that

meets high-quality early learning instructional program standards that are aligned with

Minnesota's early learning standards for children. The hours a student is enrolled in a

fee-based prekindergarten program do not generate pupil units under section 126C.05 and

must not be used to calculate general education revenue under section 126C.10.

(c) A charter school must be nonsectarian in its programs, admission policies,

employment practices, and all other operations. An authorizer may not authorize a charter

school or program that is affiliated with a nonpublic sectarian school or a religious

institution.

(d) Charter schools must not be used as a method of providing

education or generating revenue for students who are being

home-schooled. This paragraph does not apply to shared time aid under section

126C.19.
(d) (e) This chapter does not provide a means to keep open a school that a
school board decides to close. However, a school board may endorse or authorize the
establishment of a charter school to replace the school the board decided to
close. Applicants seeking a charter under this circumstance must demonstrate to the
authorizer that the charter sought is substantially different in purpose and program from
the school the board closed and that the proposed charter satisfies the requirements of
section 124E.01, subdivision 1. If the school board that closed the school authorizes
the charter, it must document in its affidavit to the commissioner that the charter is
substantially different in program and purpose from the school it closed.

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

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

(g) (h) The authorizer may prevent an approved charter school from opening for
operation if, among other grounds, the charter school violates this chapter or does not meet
the ready-to-open standards that are part of (1) the authorizer's oversight and evaluation
process or are (2) stipulated in the charter school contract.

Subd. 4. Authorizer's affidavit; approval process; authorizer's affidavit. (a)

Before the operator an operator may establish and operate a school, the authorizer must
file an affidavit with the commissioner stating its intent to charter a school. An authorizer
must file a separate affidavit for each school it intends to charter. An authorizer must file
an affidavit at least 14 months before July 1 of the year the new charter school plans to
serve students. The affidavit must state:

1. the terms and conditions under which the authorizer would charter a school; and
2. how the authorizer intends to oversee;
3. the fiscal and student performance of the charter school; and
4. compliance with the terms of the written contract between the
authorizer and the charter school board of directors under section 124E.10, subdivision 1.

(b) The commissioner must approve or disapprove the authorizer's affidavit within
60 business days of receipt of receiving the affidavit. If the commissioner disapproves the
affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit
and the authorizer then has 20 business days to address the deficiencies. The commissioner
must notify the authorizer of the commissioner's final approval or final disapproval
within 15 business days after receiving the authorizer's response to the deficiencies
in the affidavit. If the authorizer does not address deficiencies to the commissioner's
satisfaction, the commissioner's disapproval is final. Failure to obtain commissioner
approval precludes An authorizer who fails to obtain the commissioner's approval is precluded from chartering the school that is the subject of this affidavit.

Subd. 5. Expansion of a charter Adding grades or sites. (a) A charter school may apply to the authorizer to amend the charter to expand the operation of the school to additional grades or sites that would be students' primary enrollment site beyond those defined in the original affidavit approved by the commissioner.

After approving the school's application, the authorizer shall submit a supplementary affidavit in the form and manner prescribed by the commissioner. The authorizer must file a supplementary affidavit to the commissioner by October 1 to be eligible to expand grades or sites in the next school year. The supplementary affidavit must document that the school has demonstrated to the authorizer's satisfaction the following:

(1) the need for the expansion of additional grades or sites with supporting long-range enrollment projections;

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

(3) a history of sound school finances and a finance plan to implement the expansion in a manner to promote add grades or sites that sustains the school's financial sustainability finances; and

(4) board capacity and an administrative and management plan to implement its expansion to administer and manage the additional grades or sites.

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

Subd. 6. Conversion of existing schools. A board of an independent or special school district may convert one or more of its existing schools to charter schools under this chapter if 60 percent of the full-time teachers at the school sign a petition seeking conversion. The conversion must occur at the beginning of an academic year.
Subd. 7. Merger. (a) Two or more charter schools may merge under chapter 317A.

The effective date of a merger must be July 1. The merged school must continue under the identity of one of the merging schools. The authorizer and the merged school must execute a new charter contract under section 124E.10, subdivision 1, must be executed by July 1. The authorizer must submit to the commissioner a copy of the new signed charter contract within ten business days of its execution executing the contract.

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

(c) For its first year of operation, the merged school is eligible to receive aid from programs requiring approved applications equal to the sum of the aid of all of the merging schools. For aids based on prior year data, the merged school is eligible to receive aid for its first year of operation based on the combined data of all of the merging schools.

Sec. 6. Minnesota Statutes 2015 Supplement, section 124E.07, is amended to read:

**124E.07 BOARD OF DIRECTORS.**

Subdivision 1. Initial board of directors. Before entering into a contract or other agreement for professional or other services, goods, or facilities, the operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must establish a board of directors composed of at least five members who are not related parties. The initial board continues to serve until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under subdivision 4.

Subd. 2. Ongoing board of directors. The ongoing board must be elected before the school completes its third year of operation. Board elections must be held during the school year but may not be conducted on days when the school is closed for holidays, breaks, or vacations.

Subd. 3. Membership criteria. (a) The ongoing charter school board of directors shall be composed of have at least five nonrelated members and include: (1) at least one licensed teacher who is employed as a teacher at the school or providing provides instruction under contract between the charter school and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member who resides in Minnesota and is not employed by the charter school, and does not have a child enrolled in the school. The board structure may include a majority of teachers described in under
this paragraph or parents or community members, or it may have no clear majority. The
chief financial officer and the chief administrator may only serve as ex-officio nonvoting
board members. No charter school employees shall serve on the board other than teachers
under clause (1). Contractors providing facilities, goods, or services to a charter school
shall not serve on the board of directors of the charter school.
(b) An individual is prohibited from serving as a member of the charter school board
of directors if: (1) the individual, an immediate family member, or the individual's partner
is a full or part owner or principal with a for-profit or nonprofit entity or independent
contractor with whom the charter school contracts, directly or indirectly, for professional
services, goods, or facilities. An individual is prohibited from serving as a board member
if; or (2) an immediate family member is an employee of the school. An individual may
serve as a member of the board of directors if no conflict of interest exists under this
paragraph, consistent with this section.
(c) A violation of this prohibition paragraph (b) renders a contract voidable at the
option of the commissioner or the charter school board of directors. A member of a charter
school board of directors who violates this prohibition paragraph (b) is individually liable
to the charter school for any damage caused by the violation.
(d) Any employee, agent, or board member of the authorizer who participates
in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or
nonrenewal process or decision initially reviewing, approving, overseeing, evaluating,
renewing, or not renewing the charter school is ineligible to serve on the board of directors
of a school chartered by that authorizer.
(d) An individual may serve as a member of the board of directors if no conflict of
interest under paragraph (b) exists.
Subd. 4. Structure of Board structure. Board bylaws shall outline the process and
procedures for changing the board's governance structure, consistent with chapter 317A.
A board may change its governance structure only:
(1) by a majority vote of the board of directors and a majority vote of the licensed
teachers employed by the school as teachers, including licensed teachers providing
instruction under a contract between the school and a cooperative; and
(2) with the authorizer's approval.
Any change in board governance structure must conform with the board composition
of the board established under this subdivision section.
Subd. 5. Eligible voters. Staff members employed at the school, including teachers
providing instruction under a contract with a cooperative, members of the board of
directors, and all parents or legal guardians of children enrolled in the school are the voters
elgible to elect the members of the school's board of directors. A charter school must
notify eligible voters of the school board election dates at least 30 days before the election.

Subd. 6. Duties. The board of directors also shall decide and be responsible for policy matters related to the operation of the school, including budgeting, curriculum programming, personnel, and operating procedures. The board shall adopt a policy on nepotism in employment. The board shall adopt personnel evaluation policies and practices that, at a minimum:

1. carry out the school's mission and goals;

2. evaluate the execution of charter contract goals and commitments;

3. evaluate student achievement, postsecondary and workforce readiness, and student engagement and connection goals;

4. establish a teacher evaluation process under section 124E.03, subdivision 2, paragraph (h); and

5. provide professional development related to the individual's job responsibilities.

Subd. 7. Training. Every charter school board member shall attend annual training throughout the member's term on the board. All new board members shall attend initial training on the board's role and responsibilities, employment policies and practices, and financial management. A new board member who does not begin the required initial training within six months after being seated and complete that training within 12 months of after being seated on the board is automatically ineligible to continue to serve as a board member. The school shall include in its annual report the training each board member attended by each board member during the previous year.

Subd. 8. Meetings and information. (a) Board of director meetings must comply with chapter 13D governing open meetings.

(b) A charter school shall publish and maintain on the school's official Web site: (1) the meeting minutes of meetings of the board of directors; and of members and committees having any board-delegated authority, for at least one calendar year 365 days from the date of publication; (2) directory information for members of the board of directors and for the members of committees having board-delegated authority; and (3) identifying and contact information for the school's authorizer.

(c) A charter school must include identifying and contact information for the school's authorizer must be included in other school materials made it makes available to the public.

Sec. 7. Minnesota Statutes 2015 Supplement, section 124E.08, is amended to read:
124E.08 COLLABORATION BETWEEN CHARTER SCHOOL AND SCHOOL DISTRICT COLLABORATION.

(a) A charter school board may voluntarily enter into a two-year, renewable collaboration agreement for collaboration with a school district in which the charter school is geographically located to enhance student the achievement with a school district within whose geographic boundary it operates of the students in the district and the students in the charter school.

(b) A school district need does not need to be either an approved authorizer or the authorizer of the charter school to enter into a collaboration agreement with a charter school under this section. A charter school need not be authorized by the school district with which it seeks to collaborate.

(c) A charter school authorizer is prohibited from requiring a collaboration agreement as a condition of entering into or renewing a charter contract as defined in section 124E.10, subdivision 1.

(d) Nothing in this section or in the collaboration agreement may impact in any way the authority or autonomy of the charter school.

(e) Nothing in this section or in the collaboration agreement shall cause the state to pay twice for the same student, service, or facility or otherwise impact state funding, or the flow thereof, to the school district or the charter school.

(f) The collaboration agreement may include, but need is not be limited to, collaboration regarding facilities, transportation, training, student achievement, assessments, mutual performance standards, and other areas of mutual agreement.

(f) For purposes of student assessment and reporting to the state under section 120B.36, the school district may include the academic performance of the students of a collaborative charter school site operating within the geographic boundaries of the school district, for purposes of student assessment and reporting to the state under paragraph (a).

(b) Districts, authorizers, or charter schools entering into a collaborative agreement are equally and collectively subject to the same state and federal accountability measures for student achievement, school performance outcomes, and school improvement strategies. The collaborative agreement and all accountability measures must be posted on the district, charter school, and authorizer Web sites.

(d) Nothing in this section or in the collaboration agreement may impact in any way the authority or autonomy of the charter school.

(e) Nothing in this section or in the collaboration agreement shall cause the state to pay twice for the same student, service, or facility or otherwise impact state funding or payment to the school district or the charter school.
Sec. 8. Minnesota Statutes 2015 Supplement, section 124E.10, is amended to read:

124E.10 CHARTER CONTRACT.

Subdivision 1. Contents. (a) The authorization for [authorizer] to authorize a charter school, the [authorizer] and the charter school board of directors must [be] in the form of [sign a] 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 to the commissioner within ten business days of its [execution] after the contract is signed by the contracting parties. The contract for a charter school must be in writing and contain include at least the following:

1. [a] a declaration that the charter school will carry out the primary purpose in section 124E.01, subdivision 1, and [indicate] how the school will report its implementation of the [primary purpose to its authorizer];
2. [a] a declaration of the additional purpose or purposes in section 124E.01, subdivision 1, that the school intends to carry out and [indicate] how the school will report [its implementation of those purposes to its authorizer];
3. [a] a description of the school program and the specific academic and nonacademic [outcomes] that pupils must achieve;
4. [a] a statement of admission policies and procedures;
5. [a] a school governance, management, and administration plan for the school;
6. [a] signed agreements from charter school board members to comply with all the federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;
7. [a] 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. [a] for contract renewal, the formal written performance evaluation of the school that is a prerequisite for reviewing a charter contract under subdivision 3;
9. [a] types and amounts of insurance liability coverage to be obtained by the [charter school must obtain], consistent with section 124E.03, subdivision 2, paragraph (d);
10. [a] 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 charter school operation of the charter school;
(i) [a] the [authorizer] and its officers, agents, and employees; and
(ii) notwithstanding section 3.736, the commissioner and department officers, agents, and employees notwithstanding section 3.736;
(11) the term of the initial contract, which, for an initial contract, may be up to five years plus an additional preoperational planning year, and up to five years or for a renewed contract or a contract with a new authorizer after a transfer of authorizers, may be up to five years, if warranted by the school's academic, financial, and operational performance;

(12) how the charter school board of directors or the charter school 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, and 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 the performance of all students under the primary purpose of section 124E.01, subdivision 1, as the most important factor in determining whether to renew the contract renewal; and

(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 whether to renew the contract renewal; and,

(15) (b) In addition to the requirements of paragraph (a), the charter contract must contain the plan for an orderly closing of the school under chapter 317A, that establishes the responsibilities of the school board of directors and the authorizer, 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 plan must establish who is responsible for:

(1) notifying the commissioner, authorizer, school district in which the charter school is located, and parents of enrolled students about the closure;

(2) providing parents of enrolled students information and assistance sufficient to enable the student to re-enroll in another school;

(3) transfer of transferring student records under section 124E.03, subdivision 5, paragraph (b), to the student's resident school district; and

(4) procedures for closing financial operations.

(c) A charter school must design its programs to at least meet the outcomes adopted by the commissioner for public school students. In the absence of the commissioner's requirements governing state standards and benchmarks, 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.

Subd. 2. **Limitations on charter contract school agreements.** (a) A school must disclose to the commissioner any potential contract, lease, or purchase of
service from an 

The contract, lease, or purchase must be accepted through an open bidding process, and be a separate contract from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services for a school that it authorizes, unless the school documents that it received receiving at least two competitive bids.

(b) The authorizer must not condition granting or renewal of a charter school by an authorizer must not be contingent on:

1. the charter school being required to contract, lease, or purchase services from the authorizer; or

(e) The granting or renewal of a charter by an authorizer must not be conditioned upon (2) the bargaining unit status of the school employees of the school.

Subd. 3. Review and comment. (a) The authorizer shall provide a formal written evaluation of the school's performance before the authorizer renews the charter contract. The department commissioner must review and comment on the authorizer's evaluation process at the time the authorizer submits its application for approval and each time the authorizer undergoes its five-year review under section 124E.05, subdivision 5.

(b) An authorizer shall monitor and evaluate the academic, financial, operational, and student performance of the school, and may for this purpose annually assess a charter school a fee according to paragraph (c). The agreed-upon fee structure must be stated in the charter school contract.

(c) The fee that an authorizer may annually assess is the greater of:

1. the basic formula allowance for that year; or

2. the lesser of:

   (i) the maximum fee factor times the basic formula allowance for that year; or

   (ii) the fee factor times the basic formula allowance for that year times the charter school's adjusted pupil units for that year. The fee factor equals .015. The maximum fee factor equals 4.0.

(d) An authorizer may not assess a fee for any required services other than as provided in this subdivision.

(e) For the preoperational planning period, after a school is chartered, the authorizer may assess a charter school a fee equal to the basic formula allowance.

Subd. 4. Causes for nonrenewal or termination of charter school contract. (a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 1, paragraph (a). The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may
unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 business days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that describe the informal hearing process, consistent with this paragraph. The charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days of after receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for an informal hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

(b) An authorizer may terminate or not renew a contract may be terminated or not renewed upon any of the following grounds:

(1) failure to demonstrate satisfactory academic achievement for all students, including the requirements for pupil performance contained in the contract;

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

(3) violations of law; or

(4) other good cause shown.

If the authorizer terminates or does not renew a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 317A.

(c) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

(1) failure to meet pupil performance requirements, consistent with state law;

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

(3) repeated or major violations of the law.

Subd. 5. Mutual nonrenewal. If the authorizer and the charter school board of directors mutually agree not to renew the contract, 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 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 authorizer must submit the proposed contract must be submitted at least 105 business days before the end of the existing charter contract. The commissioner shall have has 30 business days to review and make a determination on the change in authorizer. 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 must make a final determination no later than 45 business days before the end of the current charter contract. If no the commissioner does not approve a 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 commissioner does not approve a change in authorizer 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.

Subd. 6. Pupil enrollment upon nonrenewal or termination of charter school contract. (a) If a contract is not renewed or is terminated according to subdivision 4 or 5, a pupil who attended the school, siblings of the pupil, or another pupil who resides in the same place as with the pupil may enroll in the resident district or may submit an application to a nonresident district according to section 124D.03 governing open enrollment at any time. Applications and notices required by section 124D.03 must be processed and provided in a prompt manner. The application and notice deadlines in section 124D.03 do not apply under these circumstances.

(b) Within ten business days of closing the charter school, the closed charter school must transfer the student's educational records within ten business days of closure to the student's school district of residence where the records must be retained or transferred under section 120A.22, subdivision 7.

Sec. 9. Minnesota Statutes 2015 Supplement, section 124E.12, is amended to read:

124E.12 EMPLOYMENT.

Subdivision 1. Teachers. A charter school must employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1, who hold valid licenses to perform the particular service for which they are employed in the school. The commissioner may reduce the charter school's state aid may be reduced under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the board of teaching.
The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932 governing whistle-blowers. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

Subd. 2. **Administrators.** (a) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for all persons that hold administrative, supervisory, or instructional leadership roles. The qualifications shall include cover at least the following areas: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles.

(b) The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. Documentation of the implementation of the school's annual report must include public personnel information documenting the professional development plan of these persons shall be included in the school's annual report.

Subd. 3. **Collective bargaining.** Employees of the board of directors of a charter school may, if otherwise eligible, organize under chapter 179A and comply with its provisions. The board of directors of a charter school is a public employer, for the purposes of chapter 179A, upon formation of when forming one or more bargaining units at the school. Bargaining units at the school must be separate from any other units within an authorizing district, except that bargaining units may remain part of the appropriate unit within an authorizing district, if the employees of the school, the board of directors of the school, the exclusive representative of the appropriate unit in the authorizing district, and the board of the authorizing district agree to include the employees in the appropriate unit of the authorizing district. The board of directors of a charter school with employees organized under this subdivision must comply with sections 471.6161 governing group insurance and 471.895 governing gifts.
Subd. 4. **Teacher and other employee retirement.** (a) Teachers in a charter school must be public school teachers for the purposes of chapters 354 and 354A *governing the Teacher Retirement Act.*

(b) Except for teachers under paragraph (a), employees in a charter school must be public employees for the purposes of chapter 353 *governing the Public Employees Retirement Act.*

Subd. 5. **Group health insurance.** (a) A charter school board with at least 25 employees or a teacher cooperative of licensed teachers providing instruction under a contract between a school and a cooperative that provides group health insurance coverage shall:

1. request proposals for group health insurance coverage from a minimum of three sources at least every two years; and
2. notify employees covered by the group health insurance coverage before the effective date of the changes in the group coverage policy contract.

(b) A charter school board or a cooperative of teachers that provides group health insurance coverage must establish and publish on its Web site the policy *for the purchase of purchasing* group health insurance coverage. A charter school board policy must include a sealed proposal process, which requires all proposals to be opened at the same time. Upon the openings of opening the proposals in accordance with according to the school or cooperative policy, the proposals become public data under chapter 13.

Nothing in this subdivision supersedes the right of an exclusive representative to negotiate over the terms and conditions of employment.

Subd. 6. **Leave to teach in a charter school.** If a teacher employed by a district makes a written request for an extended leave of absence to teach at a charter school, the district must grant the leave. The district must grant a leave not to exceed a total of five years. Any request to extend the leave shall be granted only at the discretion of the school board. The district may require that a teacher make the request for a leave or extension of leave before February 1 in the school year preceding the school year in which the teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is scheduled to terminate. Except as otherwise provided in this subdivision and except for section 122A.46, subdivision 7, governing employment in another district, the leave is governed by section 122A.46, including, but not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

During a leave, the teacher may continue to aggregate benefits and credits in the Teachers' Retirement Association account under chapters 354 and 354A, consistent with subdivision 4.
Sec. 10. Minnesota Statutes 2015 Supplement, section 124E.13, is amended to read:

### 124E.13 FACILITIES.

Subdivision 1. Leased space. A charter school may lease space from: an independent or special school board; other public organization; private, nonprofit, nonsectarian organization; private property owner; or a sectarian organization if the leased space is constructed as a school facility. The department commissioner must review and approve or disapprove leases in a timely manner for purposes of determining to determine eligibility for lease aid under section 124E.22.

Subd. 2. Related party lease costs. (a) A charter school is prohibited from entering must not enter into a lease of real property with a related party unless the lessor is a nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is reasonable under section 124E.22, paragraph (a), clause (1).

(b) A lease of real property to be used for a charter school, not excluded in related party permitted to enter into a lease under paragraph (a); must contain include the following statement in the lease: "This lease is subject to Minnesota Statutes, section 124E.13, subdivision 2."

(c) If a charter school enters into a lease with leases space from a related party and the charter school subsequently closes, the commissioner has the right to recover from the lessor related party any lease payments in excess of those that are reasonable under section 124E.22, paragraph (a), clause (1).

Subd. 3. Affiliated nonprofit building corporation. (a) An affiliated nonprofit building corporation may purchase, expand, or renovate an existing facility to serve as a school or may construct a new school facility. A charter school may organize an affiliated nonprofit building corporation (1) to purchase, expand, or renovate an existing facility to serve as a school or (2) to construct a new school facility if the charter school:

(i) (1) has been in operation operated for at least six consecutive years;

(ii) (2) as of June 30, has a net positive unreserved general fund balance in the preceding three fiscal years;

(iii) (3) has long-range strategic and financial plans that include enrollment projections for at least five years;

(iv) (4) completes a feasibility study of facility options that outlines the benefits and costs of the options each option; and

(v) (5) has a plan for purchase, renovation, or new construction which describes project parameters and budget.

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A;
(2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

(3) post on the school Web site the name, mailing address, bylaws, minutes of board meetings, and the names of the current board of directors of the affiliated nonprofit building corporation;

(4) submit to the commissioner a copy of its annual audit by December 31 of each year; and

(5) comply with government data practices law under chapter 13.

c) An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

d) Once an affiliated nonprofit building corporation is incorporated under this subdivision, the board of directors of the charter school must ensure the affiliated nonprofit building corporation complies with all applicable legal requirements. The charter school's authorizer of the school must oversee the efforts of the school's board of directors of the charter school to ensure the affiliated nonprofit building corporation complies with all legal requirements governing the affiliated nonprofit building corporation's legal compliance of the affiliated building corporation. A school's board of directors that fails to ensure the affiliated nonprofit building corporation's compliance violates its responsibilities and an authorizer must factor the consider that failure into the authorizer's evaluation of when evaluating the charter school.

Subd. 4. Positive review and comment. If the amount of a purchase agreement or construction contract exceeds the review and comment threshold, a charter school or its affiliated nonprofit building corporation must receive a positive review and comment from the commissioner before initiating any purchase agreement or construction contract that requires an expenditure in excess of the threshold specified in section 123B.71, subdivision 8, for school districts that do not have a capital loan outstanding. Without a positive review and comment from the commissioner, a purchase agreement or construction contract finalized before a positive review and comment under this subdivision is null and void. For purposes of this subdivision, "review and comment threshold" means the dollar amount specified in section 123B.71, subdivision 8, applicable to a school entity that is not a recipient of a maximum effort capital loan.

Sec. 11. Minnesota Statutes 2015 Supplement, section 124E.15, is amended to read:
124E.15 TRANSPORTATION.

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

(b) A charter school after its first fiscal year of operation by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of operation must notify the district in which the school is located and the Department of Education commissioner by July 1 of its first fiscal year of operation if it will provide its own transportation or use the transportation services of the district in which it is located for the fiscal year. For each subsequent year of operation, a charter school must give that district and the commissioner notice by March 1 for the following fiscal year.

(c) If a charter school elects to provide transportation for pupils, the charter school must provide the transportation must be provided by the charter school within the district in which the charter school is located. The state must pay transportation aid to the charter school according to section 124E.23.

(d) For pupils who reside outside the district in which the charter school is located, the charter school is not required to provide or pay for transportation between the pupil's residence and the border of the district in which the charter school is located. The charter school may reimburse a parent for costs of transportation from the pupil's residence to the border of the district in which the charter school is located if the pupil is from a family whose income is at or below the poverty level, as determined by the federal government. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week.

At the time a pupil enrolls in a charter school, the charter school must provide the parent or guardian with information regarding the transportation.

(e)(c) If a charter school does not elect to provide transportation, the district in which the school is located must provide transportation for pupils enrolled at the school must be provided by the district in which the school is located, according to sections 123B.88, subdivision 6, governing transporting nonresident pupils, and 124D.03, subdivision 8, for a pupil residing in the same district in which the charter school is located. The district in which the charter school is located may provide transportation may be provided by the district in which the school is located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, governing open enrollment transportation, for a pupil residing in a different district. If the district provides the transportation, the scheduling of routes, manner and method of transportation, control and discipline of the pupils, and any other
121.1 matter relating to the transportation of pupils under this paragraph shall be within the
121.2 sole discretion, control, and management of the district.
121.3 (f) The charter school must provide the parent or guardian with information about
121.4 transportation when a pupil enrolls.

121.5 Sec. 12. Minnesota Statutes 2015 Supplement, section 124E.16, is amended to read:

121.6 124E.16 REPORTS.
121.7 Subdivision 1. Audit report. (a) A charter school is subject to the same financial
121.8 audits, audit procedures, and audit requirements as a district, except as required under
121.9 this subdivision. Audits must be conducted in compliance with generally accepted
121.10 governmental auditing standards, the federal Single Audit Act, if applicable, and section
121.11 6.65 governing auditing procedures. A charter school is subject to and must comply
121.12 with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06;
121.13 governing government property and financial investments; and sections 471.38; 471.391;
121.14 471.392; and 471.425 governing municipal contracting. The audit must comply with the
121.15 requirements of sections 123B.75 to 123B.83 governing school district finance, except
121.16 to the extent deviations are necessary because of the program at the school when the
121.17 commissioner and authorizer approve a deviation made necessary because of school
121.18 program finances. Deviations must be approved by the commissioner and authorizer. The
121.19 Department of Education commissioner, state auditor, legislative auditor, or authorizer
121.20 may conduct financial, program, or compliance audits. A charter school determined to be
121.21 in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under
121.22 section 123B.81, subdivision 4.
121.23 (b) The charter school must submit an audit report to the commissioner and its
121.24 authorizer annually by December 31 each year.
121.25 (c) The charter school, with the assistance of the auditor conducting the audit,
121.26 must include with the report, as supplemental information: (1) a copy of management
121.27 agreements with a charter management organization or an educational management
121.28 organization and (2) service agreements or contracts over the lesser of $100,000 or ten
121.29 percent of the school's most recent annual audited expenditures. The agreements must
121.30 detail the terms of the agreement, including the services provided and the annual costs for
121.31 those services. If the entity that provides the professional services to the charter school is
121.32 exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity
121.33 must file with the commissioner by February 15 a copy of the annual return required under
121.34 section 6033 of the Internal Revenue Code of 1986.
(d) A charter school independent audit report shall include audited financial data of an affiliated building corporation under section 124E.13, subdivision 3, or other component unit.

(e) If the audit report finds that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the charter school will resolve that material weakness will be resolved. An auditor, as a condition of providing financial services to a charter school, must agree to make available information about a charter school's financial audit to the commissioner and authorizer upon request.

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 governing the world's best workforce. A charter school must post the annual report on the school's official Web site. A charter school also 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's annual public report that 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.

Sec. 13. Minnesota Statutes 2015 Supplement, section 124E.17, is amended to read:

124E.17 DISSEMINATION OF INFORMATION.

Subdivision 1. Charter school information. (a) Authorizers and the department must disseminate information to the public on how to form and operate a charter school. Charter schools must disseminate information about how to use the charter school offerings of a charter school to targeted groups, among others. Targeted groups include low-income families and communities, students of color, and students who are at risk of academic failure.

(b) Authorizers and the commissioner must disseminate information to the public on how to form and operate a charter school. Authorizers, operators, and the department commissioner also may disseminate information to interested stakeholders about the successful best practices in teaching and learning demonstrated by charter schools.
Subd. 2. **Financial information.** Upon request of an individual, the charter school must also make available in a timely fashion financial statements showing all operations and transactions affecting the school's income, surplus, and deficit during the school's last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. A charter school also must include that same information about its authorizer in other school materials that it makes available to the public.

Sec. 14. Minnesota Statutes 2015 Supplement, section 124E.22, is amended to read:

**124E.22 BUILDING LEASE AID.**

(a) When a charter school finds it economically advantageous to rent or lease a building or land for any instructional purpose and it determines that the total operating capital revenue under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for building lease aid for this purpose. The commissioner must review and either approve or deny a lease aid application using the following criteria:

1. the reasonableness of the price based on current market values;
2. the extent to which the lease conforms to applicable state laws and rules; and
3. the appropriateness of the proposed lease in the context of the space needs and financial circumstances of the charter school. The commissioner must approve aid only for a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the charter school of its lease obligations at the time the charter contract is terminated or not renewed.\[footnote{124E.22 Subd. 2, line 24}]

The closure clause under item (ii) must not be construed to construe to relieve the charter school of its lease obligations in effect before the charter contract is terminated or not renewed.

(b) A charter school must not use the building lease aid it receives for custodial, maintenance service, utility, or other operating costs.

(c) The amount of annual building lease aid for a charter school shall not exceed the lesser of (1) 90 percent of the approved cost or (2) the product of the pupil units served for the current school year times $1,314.

Sec. 15. Minnesota Statutes 2015 Supplement, section 124E.24, is amended to read:

**124E.24 OTHER AID, GRANTS, AND REVENUE.**

(a) A charter school is eligible to receive other aids, grants, and revenue according to chapters 120A to 129C, as though it were a district.
(b) Notwithstanding paragraph (a), a charter school may not receive aid, a grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy revenue that is not general education revenue, except as otherwise provided in this chapter.

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

(d) A charter school may receive money from any source for capital facilities needs.

In the year-end report to the commissioner of education, the charter school shall report the total amount of funds it received from grants and other outside sources.

Sec. 16. Minnesota Statutes 2015 Supplement, section 124E.25, is amended to read:

**124E.25 PAYMENT OF AIDS TO CHARTER SCHOOLS.**

Subdivision 1. Payments. (a) Notwithstanding section 127A.45, subdivision 3, if the current year aid payment percentage under section 127A.45, subdivision 2, paragraph (d), is 90 or greater, aid payments for the current fiscal year to a charter school shall be of an equal amount on each of the 24 payment dates. Notwithstanding section 127A.45, subdivision 3, if the current year aid payment percentage under section 127A.45, subdivision 2, paragraph (d), is less than 90, aid payments for the current fiscal year to a charter school shall be of an equal amount on each of the 16 payment dates in July through February.

Subd. 1a. School closures; payments. (b) (a) Notwithstanding paragraph (a)

subdivision 1 and section 127A.45, for a charter school ceasing operation on or prior to before June 30 of a school year, for the payment periods occurring after the school ceases serving students, the commissioner shall withhold the estimated state aid owed the school. The charter school board of directors and authorizer must submit to the commissioner a closure plan under chapter 308A or 317A, and financial information about the school's liabilities and assets. After receiving the closure plan, financial information, an audit of pupil counts, documentation of and documented lease expenditures, from the charter school and monitoring of special education expenditures, the commissioner may release cash withheld and may continue regular payments up to the current year payment percentages if further amounts are owed. If, based on audits and monitoring, the school received state aid in excess of the amount owed, the commissioner shall retain aid withheld sufficient to eliminate the aid overpayment.

(b) For a charter school ceasing operations prior to, before or at the end of; a school year, notwithstanding section 127A.45, subdivision 3, the commissioner may make preliminary final payments may be made after receiving the school submits the closure plan, an audit of pupil counts, monitoring of special education expenditures, documentation of documented lease expenditures, and school submission of Uniform...
Financial Accounting and Reporting Standards (UFARS) financial data and the commissioner monitors special education expenditures for the final year of operation. The commissioner may make the final payment may be made upon receipt of after receiving audited financial statements under section 123B.77, subdivision 3.

(c) Notwithstanding sections 317A.701 to 317A.791, upon closure of after closing a charter school and satisfaction of satisfying creditors, remaining cash and investment balances remaining shall be returned by the commissioner to the state general fund.

Subd. 2. Requirements. (a) In order To receive state aid payments under this section, a charter school in its first three years of operation must submit to the commissioner a school calendar in the form and manner requested by the department commissioner and a quarterly report to the Department of Education. The quarterly report must list each student by grade, show the student's start and end dates, if any applicable, with the charter school, and, for any student participating in a learning year program, the report must list the hours and times of learning year activities. The charter school must submit the report must be submitted to the commissioner not more than two weeks after the end of the calendar quarter to the department. The department commissioner must develop a Web-based reporting form for charter schools to use when submitting quarterly enrollment reports.

(b) To receive state aid payments under this section, a charter school in its fourth and subsequent year of operation must submit a school calendar and enrollment information to the department commissioner in the form and manner requested by the department commissioner.

(b) (c) A charter school must have a valid, signed contract under section 124E.10, subdivision 1, on file at with the Department of Education commissioner at least 15 days prior to before the date of first payment of state aid for the fiscal year.

(e) (d) The commissioner shall compute state aid entitlements shall be computed for a charter school only for the portion of a school year for which it has a valid, signed contract under section 124E.10, subdivision 1.

Subd. 3. Aid reductions. (a) The commissioner may reduce a charter school's state aid under section 127A.42 or 127A.43 if the charter school board fails to correct a violation under this chapter.

(b) The commissioner may reduce a charter school's state aid by an amount not to exceed 60 percent of the charter school's basic revenue for the period of time that a violation of law occurs was violated.

Subd. 4. Aid withholding. (a) If a charter school fails to comply with the commissioner's directive to return, for cause, federal or state funds administered by the
department, the commissioner may withhold an amount of state aid sufficient to satisfy
the directive.

(b) If, within the timeline under section 471.425, after receiving an undisputed
invoice for goods and services, a charter school fails to pay the state of Minnesota, a school
district, intermediate school district, or service cooperative after receiving an undisputed
invoice for goods and services, within the timeline under section 471.425, the commissioner
may withhold an amount of state aid sufficient to satisfy the claim and shall distribute the
withheld aid to the interested state agency, school district, intermediate school district, or
service cooperative. An interested state agency, school district, intermediate school district,
or education cooperative shall notify the commissioner when a charter school fails to pay
an undisputed invoice within 75 business days of when it received the original invoice.

Sec. 17. Minnesota Statutes 2015 Supplement, section 124E.26, is amended to read:

124E.26 USE OF STATE MONEY.
Money received from the state may not be used to purchase land or buildings. The
charter school may own land and buildings if obtained through nonstate sources.

Sec. 18. SUPERSEDING ACTS.
Any amendments or repeals enacted in the 2016 session of the legislature to sections
also amended or repealed in this act supersede the amendments in this act regardless
of order of enactment."

Delete the title and insert:

"A bill for an act
relating to education; providing for early childhood and prekindergarten through
grade 12 education, including general education, education excellence, charter
schools, special education, facilities and technology, and self-sufficiency and
lifelong learning; teachers; early childhood; charter school recodification;
amending Minnesota Statutes 2014, sections 120B.11, as amended; 120B.12,
subdivision 3; 120B.15; 120B.30, by adding a subdivision; 120B.31, subdivision
5, by adding a subdivision; 120B.35, subdivisions 1, 2, 3, 4; 120B.36, as
amended; 122A.09, as amended; 122A.16; 122A.18, as amended; 122A.21, as
amended; 122A.245, as amended; 122A.26, subdivision 2; 122A.31, subdivision
3; 122A.4144; 122A.416; 122A.72, subdivision 5; 122A.74, subdivision 1; 123A.24, subdivision 2; 123B.147, subdivision 3; 123B.52, subdivision 1;
123B.571, subdivision 2; 123B.60, subdivision 1; 123B.71, subdivision 8;
123B.79, subdivisions 5, 8, 9; 124D.03, subdivision 5a; 124D.09, subdivision
10; 124D.15, subdivisions 3a, 15; 124D.52, subdivisions 1, 2; 124D.861, as
amended; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.40,
subdivision 5; 126C.63, subdivision 7; 127A.095; Minnesota Statutes 2015
Supplement, sections 120B.125; 120B.301; 122A.23; 122A.30; 122A.40,
subdivision 8; 122A.41, subdivision 5; 122A.4144, subdivisions 1, 2, 2b, 3;
122A.60, subdivisions 1, 4; 123B.53, subdivision 1; 123B.595, subdivisions 4,
7, 8, 9, 10, 11, by adding a subdivision; 124D.165, subdivision 2; 124D.231,
subdivision 2; 124D.73, subdivision 4; 124E.01; 124E.02; 124E.03; 124E.05; 124E.06; 124E.07; 124E.08; 124E.10; 124E.12; 124E.13; 124E.15; 124E.16; 124E.17; 124E.22; 124E.24; 124E.25; 124E.26; 125A.08; 125A.0942; subdivision 3; 125A.63, subdivision 4; 126C.48, subdivision 8; 127A.05, subdivision 6; 136A.1791, subdivisions 1, 3; proposing coding for new law in Minnesota Statutes, chapter 123B; repealing Minnesota Statutes 2014, sections 120B.299, subdivision 5; 120B.35, subdivision 4; 122A.245, subdivision 8; 122A.413, subdivision 3; 122A.43, subdivision 6; 123B.06; 123B.60, subdivision 2; 123B.79, subdivisions 2, 6; 127A.51; Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1, 2."