

1.1 **Senator Kelley from the Committee on Education, to which was referred**

1.2 **S.F. No. 3133:** A bill for an act relating to education finance; delaying by one year
1.3 the implementation of the state determined tuition rates for special education services
provided by intermediate school districts and other cooperative providers of special
1.4 education services; amending Minnesota Statutes 2005 Supplement, section 125A.11,
1.5 subdivision 1.

1.6
1.7 Reports the same back with the recommendation that the bill be amended as follows:

1.8 Delete everything after the enacting clause and insert:

1.9 "Section 1. INTERMEDIATE DISTRICT SPECIAL EDUCATION TUITION

1.10 BILLING FOR FISCAL YEAR 2006 AND FISCAL YEAR 2007.

1.11 (a) Notwithstanding Minnesota Statutes, section 125A.11, subdivision 1, paragraph
1.12 (a), and Minnesota Statutes, section 127A.47, subdivision 7, paragraph (d), for fiscal year
1.13 2006 an intermediate district is not subject to the uniform special education tuition billing
1.14 calculations, but may instead continue to bill the resident school districts for the actual
1.15 unreimbursed costs of serving pupils with a disability as determined by the intermediate
1.16 district.

1.17 (b) Notwithstanding Minnesota Statutes, section 125A.11, subdivision 1, paragraph
1.18 (c), for fiscal year 2007 only, an intermediate district may apply to the commissioner of
1.19 education for a waiver from the uniform special education tuition calculations and aid
1.20 adjustments under Minnesota Statutes, section 125A.11, subdivision 1, paragraph (b), and
1.21 Minnesota Statutes, section 127A.47, subdivision 7, paragraph (e). The commissioner
1.22 must grant the waiver within 30 days of receiving the following information from the
1.23 intermediate district:

1.24 (1) a detailed description of the intermediate district's methodology for calculating
1.25 special education tuition for fiscal years 2006 and 2007, as required by the intermediate
1.26 district to recover the full cost of serving pupils with a disability;

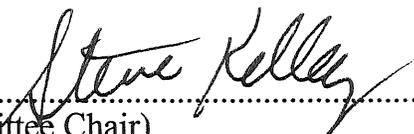
1.27 (2) sufficient data to determine the total amount of special education tuition actually
1.28 charged for each student with a disability, as required by the intermediate district to
1.29 recover the full cost of serving pupils with a disability in fiscal year 2006; and

1.30 (3) sufficient data to determine the amount that would have been charged for each
1.31 student for fiscal year 2006 using the uniform tuition billing methodology according
1.32 to Minnesota Statutes, section 125A.11, subdivision 1, or Minnesota Statutes, section
1.33 127A.47, subdivision 7, as applicable.

1.34 EFFECTIVE DATE. This section is effective the day following final enactment
1.35 for fiscal year 2006."

1.36 Amend the title accordingly

2.1 And when so amended the bill do pass and be re-referred to the Committee on
2.2 Finance. Amendments adopted. Report adopted.

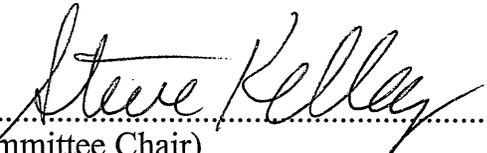
2.3 
2.4
(Committee Chair)

2.5 March 23, 2006
2.6 (Date of Committee recommendation)

1.1 **Senator Kelley from the Committee on Education, to which was referred**

1.2 **S.F. No. 2817:** A resolution memorializing the President and Congress to carry
1.3 through on their pledge to fund 40 percent of special education costs.

1.4 Reports the same back with the recommendation that the resolution do pass. Report
1.5 adopted.

1.6 
1.7 (Committee Chair)

1.8 March 23, 2006
1.9 (Date of Committee recommendation)

1.1 **Senator Kelley from the Committee on Education, to which was referred**

1.2 **S.F. No. 3534:** A bill for an act relating to education finance; providing for an
1.3 approved special education study and report; appropriating money.

1.4 Reports the same back with the recommendation that the bill do pass and be
1.5 re-referred to the Committee on Finance. Report adopted.

1.6
1.7 (Committee Chair)

1.8 March 23, 2006
1.9 (Date of Committee recommendation)

1.1 **Senator Kelley from the Committee on Education, to which was referred**

1.2 **S.F. No. 3274:** A bill for an act relating to education; providing for financing of
 1.3 prekindergarten through grade 12 education; raising academic achievement; establishing
 1.4 an alternative teacher training program for qualified professionals; expanding alternative
 1.5 teacher compensation program; expanding early childhood Part C services; providing
 1.6 intensive English instruction for adult refugees; providing for Chinese language programs;
 1.7 providing for a district and high school redesign pilot project; authorizing Waseca to levy
 1.8 for health and safety revenue; appropriating money; amending Minnesota Statutes 2004,
 1.9 sections 122A.18, subdivision 2; 124D.11, subdivision 9; 125A.27, subdivisions 3, 7, 8,
 1.10 15, 18; 127A.41, subdivision 2; Minnesota Statutes 2005 Supplement, sections 121A.19;
 1.11 122A.415, subdivisions 1, 3; 125A.11, subdivision 1; 125A.79, subdivision 1; 126C.10,
 1.12 subdivisions 31, 34; Laws 2005, First Special Session chapter 5, article 1, section 47;
 1.13 proposing coding for new law in Minnesota Statutes, chapters 120B; 122A; repealing
 1.14 Minnesota Statutes 2004, section 122A.24.

1.15 Reports the same back with the recommendation that the bill be amended as follows:

1.16 Delete everything after the enacting clause and insert:

1.17 **"ARTICLE 1**

1.18 **GENERAL EDUCATION REVENUE**

1.19 Section 1. Minnesota Statutes 2004, section 120A.20, subdivision 1, is amended to
 1.20 read:

1.21 **Subdivision 1. Age limitations; pupils. (a)** All schools supported in whole or
 1.22 in part by state funds are public schools. Admission to a public school is free to any
 1.23 person who: (1) resides within the district that operates the school, ~~who~~; (2) is under 21
 1.24 years of age; ~~or who meet the requirements of paragraph (c); and ~~who~~ (3) satisfies the~~
 1.25 minimum age requirements imposed by this section. Notwithstanding the provisions of
 1.26 any law to the contrary, the conduct of all ~~students under 21 years of age~~ pupils attending a
 1.27 public secondary school is governed by a single set of reasonable rules and regulations
 1.28 promulgated by the school board.

1.29 ~~No~~ (b) A person shall not be admitted to ~~any~~ a public school (1) as a kindergarten
 1.31 pupil, unless the pupil is at least five years of age on September 1 of the calendar year in
 1.32 which the school year for which the pupil seeks admission commences; or (2) as a 1st
 1.33 grade student, unless the pupil is at least six years of age on September 1 of the calendar
 1.34 year in which the school year for which the pupil seeks admission commences or has
 1.35 completed kindergarten; except that any school board may establish a policy for admission
 of selected pupils at an earlier age.

1.36 (c) A pupil who becomes age 21 after enrollment is eligible for continued free public
 1.37 school enrollment until at least one of the following occurs: (1) the first September 1 after
 1.38 the pupil's 21st birthday; (2) the pupil's completion of the graduation requirements; (3)
 1.39 the pupil's withdrawal with no subsequent enrollment within 21 calendar days; or (4)
 1.40 the end of the school year.

1.41 Sec. 2. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
 1.42 amended to read:

2.1 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
2.2 school site, or charter school that meets the conditions of section 122A.414 and submits an
2.3 application approved by the commissioner is eligible for alternative teacher compensation
2.4 revenue.

2.5 (b) For school district and intermediate school district applications, the commissioner
2.6 must consider only those applications to participate that are submitted jointly by a
2.7 district and the exclusive representative of the teachers. The application must contain an
2.8 alternative teacher professional pay system agreement that:

2.9 (1) implements an alternative teacher professional pay system consistent with
2.10 section 122A.414; and

2.11 (2) is negotiated and adopted according to the Public Employment Labor Relations
2.12 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
2.13 district may enter into a contract for a term of two or four years.

2.14 Alternative teacher compensation revenue for a qualifying school district or site in
2.15 which the school board and the exclusive representative of the teachers agree to place
2.16 teachers in the district or at the site on the alternative teacher professional pay system
2.17 equals \$260 times the number of pupils enrolled at the district or site on October 1 of
2.18 the previous fiscal year. Alternative teacher compensation revenue for a qualifying
2.19 intermediate school district must be calculated under section 126C.10, subdivision 34,
2.20 paragraphs (a) and (b).

2.21 (c) For a newly combined or consolidated district, the revenue shall be computed
2.22 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
2.23 into the combination or consolidation. The commissioner may adjust the revenue
2.24 computed for a site using prior year data to reflect changes attributable to school closings,
2.25 school openings, or grade level reconfigurations between the prior year and the current
2.26 year.

2.27 (d) The revenue is available only to school districts, intermediate school districts,
2.28 school sites, and charter schools that fully implement an alternative teacher professional
2.29 pay system by October 1 of the current school year.

2.30 (e) The revenue must be maintained in a reserve account within the general fund.

2.31 Sec. 3. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
2.32 amended to read:

2.33 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites,
2.34 or charter schools with approved applications must receive alternative compensation
2.35 revenue for each school year that the district, intermediate school district, school site,
2.36 or charter school implements an alternative teacher professional pay system under this

3.1 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
3.2 intermediate school district, school site, or charter school that received alternative teacher
3.3 compensation aid for the previous fiscal year must receive at least an amount of alternative
3.4 teacher compensation revenue equal to the lesser of the amount it received for the previous
3.5 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
3.6 the district, intermediate school district, school site, or charter school submits a timely
3.7 application and the commissioner determines that the district, intermediate school district,
3.8 school site, or charter school continues to implement an alternative teacher professional
3.9 pay system, consistent with its application under this section.

3.10 (b) The commissioner shall approve applications that comply with subdivision 1,
3.11 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
3.12 school, in the order in which they are received, select applicants that qualify for this
3.13 program, notify school districts, intermediate school districts, school sites, and charter
3.14 schools about the program, develop and disseminate application materials, and carry out
3.15 other activities needed to implement this section.

3.16 (c) For applications approved under this section before August 1 of the fiscal year for
3.17 which the aid is paid, the portion of the state total basic alternative teacher compensation
3.18 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year 2006
3.19 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of the state
3.20 total basic alternative teacher compensation aid entitlement allocated to charter schools
3.21 must not exceed the product of \$3,374,000 times the ratio of the state total charter school
3.22 enrollment for the previous fiscal year to the state total charter school enrollment for ~~the~~
3.23 ~~second previous year~~ fiscal year 2006. Additional basic alternative teacher compensation
3.24 aid may be approved for charter schools after August 1, not to exceed the charter school
3.25 limit for the following fiscal year, if the basic alternative teacher compensation aid
3.26 entitlement for school districts and intermediate school districts based on applications
3.27 approved by August 1 does not expend the remaining amount under the limit.

3.28 Sec. 4. Minnesota Statutes 2004, section 123A.06, subdivision 2, is amended to read:

3.29 Subd. 2. **People to be served.** A center shall provide programs for secondary
3.30 pupils and adults. A center may also provide programs and services for elementary and
3.31 secondary pupils who are not attending the center to assist them in being successful in
3.32 school. A center shall use research-based best practices for serving limited English
3.33 proficient students and their parents. An individual education plan team may identify a
3.34 center as an appropriate placement to the extent a center can provide the student with the
3.35 appropriate special education services described in the student's plan. Pupils eligible to
3.36 be served are those ~~age five to adults 22 and older~~ who qualify under the graduation

4.1 incentives program in section 124D.68, subdivision 2, those enrolled under section
4.2 124D.02, subdivision 2, or those pupils who are eligible to receive special education
4.3 services under sections 125A.03 to 125A.24, and 125A.65.

4.4 Sec. 5. Minnesota Statutes 2005 Supplement, section 123B.76, subdivision 3, is
4.5 amended to read:

4.6 Subd. 3. **Expenditures by building.** (a) For the purposes of this section, "building"
4.7 means education site as defined in section 123B.04, subdivision 1.

4.8 (b) Each district shall maintain separate accounts to identify general fund
4.9 expenditures for each building. All expenditures for regular instruction, secondary
4.10 vocational instruction, and school administration must be reported to the department
4.11 separately for each building. All expenditures for special education instruction,
4.12 instructional support services, and pupil support services provided within a specific
4.13 building must be reported to the department separately for each building. Salary
4.14 expenditures reported by building must reflect actual salaries for staff at the building and
4.15 must not be based on districtwide averages. All other general fund expenditures may be
4.16 reported by building or on a districtwide basis.

4.17 (c) The department must annually report information showing school district general
4.18 fund expenditures per pupil by program category for each building and estimated school
4.19 district general fund revenue generated by pupils attending each building on its Web
4.20 site. For purposes of this report:

4.21 (1) expenditures not reported by building shall be allocated among buildings on a
4.22 uniform per pupil basis;

4.23 (2) basic skills revenue shall be allocated according to section 126C.10, subdivision
4.24 4;

4.25 (3) secondary sparsity revenue and elementary sparsity revenue shall be allocated
4.26 according to section 126C.10, subdivisions 7 and 8;

4.27 (4) alternative teacher compensation revenue shall be allocated according to section
4.28 122A.415, subdivision 1;

4.29 (5) other general education revenue shall be allocated on a uniform per pupil unit
4.30 basis;

4.31 ~~(5)~~ (6) first grade preparedness aid shall be allocated according to section 124D.081;

4.32 ~~(6)~~ (7) state and federal special education aid and Title I aid shall be allocated in
4.33 proportion to district expenditures for these programs by building; and

4.34 ~~(7)~~ (8) other general fund revenues shall be allocated on a uniform per pupil basis,
4.35 except that the department may allocate other revenues attributable to specific buildings
4.36 directly to those buildings.

5.1 Sec. 6. Minnesota Statutes 2004, section 124D.02, subdivision 2, is amended to read:

5.2 Subd. 2. **Secondary school programs.** The board may permit a person who is over
 5.3 the age of 21 or who has graduated from high school to enroll ~~as a part-time student~~ in a
 5.4 class or program at a secondary school if there is space available. In determining if there is
 5.5 space available, ~~full-time public school students, eligible for free enrollment under section~~
 5.6 120A.20, subdivision 1, and shared-time students shall be given priority over students
 5.7 seeking enrollment pursuant to this subdivision, and students returning to complete a
 5.8 regular course of study shall be given priority over ~~part-time other~~ students seeking
 5.9 enrollment pursuant to this subdivision. The following are not prerequisites for enrollment:

5.10 (1) residency in the school district;

5.11 (2) United States citizenship; or

5.12 (3) for a person over the age of 21, a high school diploma or equivalency certificate.

5.13 A person may enroll in a class or program even if that person attends evening school, an
 adult or continuing education, or a postsecondary educational program or institution.

5.15 Sec. 7. Minnesota Statutes 2004, section 124D.02, subdivision 4, is amended to read:

5.16 Subd. 4. **Part-time student fee.** Notwithstanding the provisions of sections
 5.17 120A.20 and 123B.37, a board may charge a ~~part-time student~~ enrolled pursuant to
 5.18 subdivision 2 a reasonable fee for a class or program.

5.19 Sec. 8. Minnesota Statutes 2005 Supplement, section 124D.68, subdivision 2, is
 5.20 amended to read:

5.21 Subd. 2. **Eligible pupils.** ~~The following pupils are~~ A pupil under the age of 21 or
 5.22 who meets the requirements of section 120A.20, subdivision 1, paragraph (c), is eligible to
 5.23 participate in the graduation incentives program:

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

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

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

5.29 (3) is pregnant or is a parent;

5.30 (4) has been assessed as chemically dependent;

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

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

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

5.35 (8) has experienced mental health problems;

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

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

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

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

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

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

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

6.14 Sec. 9. Minnesota Statutes 2004, section 124D.68, subdivision 3, is amended to read:

6.15 Subd. 3. **Eligible programs.** (a) A pupil who is eligible according to subdivision 2
6.16 may enroll in area learning centers under sections 123A.05 to 123A.08.

6.17 (b) A pupil who is eligible according to subdivision 2 and who is between the ages
6.18 of 16 and 21 may enroll in postsecondary courses under section 124D.09.

6.19 (c) A pupil who is eligible under subdivision 2, may enroll in any public elementary
6.20 or secondary education program. ~~However, a person who is eligible according to~~
6.21 ~~subdivision 2, clause (b), may enroll only if the school board has adopted a resolution~~
6.22 ~~approving the enrollment.~~

6.23 (d) A pupil who is eligible under subdivision 2, may enroll in any nonpublic,
6.24 nonsectarian school that has contracted with the serving school district to provide
6.25 educational services.

6.26 (e) A pupil who is between the ages of 16 and 21 may enroll in any adult basic
6.27 education programs approved under section 124D.52 and operated under the community
6.28 education program contained in section 124D.19.

6.29 Sec. 10. Minnesota Statutes 2004, section 126C.05, subdivision 1, is amended to read:

6.30 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the
6.31 age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph
6.32 (c), in average daily membership enrolled in the district of residence, in another district
6.33 under sections 123A.05 to 123A.08, 124D.03, 124D.06, 124D.07, 124D.08, or 124D.68;
6.34 in a charter school under section 124D.10; or for whom the resident district pays tuition
6.35 under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88,

7.1 subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be
7.2 counted according to this subdivision.

7.3 (a) A prekindergarten pupil with a disability who is enrolled in a program approved
by the commissioner and has an individual education plan is counted as the ratio of the
7.5 number of hours of assessment and education service to 825 times 1.25 with a minimum
7.6 average daily membership of 0.28, but not more than 1.25 pupil units.

7.7 (b) A prekindergarten pupil who is assessed but determined not to be handicapped is
7.8 counted as the ratio of the number of hours of assessment service to 825 times 1.25.

7.9 (c) A kindergarten pupil with a disability who is enrolled in a program approved
7.10 by the commissioner is counted as the ratio of the number of hours of assessment and
7.11 education services required in the fiscal year by the pupil's individual education program
7.12 plan to 875, but not more than one.

7.13 (d) A kindergarten pupil who is not included in paragraph (c) is counted as .557 of a
pupil unit for fiscal year 2000 and thereafter.

7.15 (e) A pupil who is in any of grades 1 to 3 is counted as 1.115 pupil units for fiscal
7.16 year 2000 and thereafter.

7.17 (f) A pupil who is any of grades 4 to 6 is counted as 1.06 pupil units for fiscal
7.18 year 1995 and thereafter.

7.19 (g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

7.20 (h) A pupil who is in the postsecondary enrollment options program is counted
7.21 as 1.3 pupil units.

7.22 Sec. 11. Minnesota Statutes 2004, section 126C.10, subdivision 6, is amended to read:

7.23 Subd. 6. **Definitions.** The definitions in this subdivision apply only to subdivisions
7 and 8.

7.25 (a) "High school" means a public secondary school, except a charter school under
7.26 section 124D.10, that has pupils enrolled in at least the 10th, 11th, and 12th grades. If
7.27 there is no secondary high school in the district ~~that has pupils enrolled in at least the~~
7.28 ~~10th, 11th, and 12th grades,~~ and the school is at least 19 miles from the next nearest
7.29 school, the commissioner must designate one school in the district as a high school for the
7.30 purposes of this section.

7.31 (b) "Secondary average daily membership" means, for a district that has only one
7.32 high school, the average daily membership of pupils served in grades 7 through 12. For a
7.33 district that has more than one high school, "secondary average daily membership" for
each high school means the product of the average daily membership of pupils served in
7.35 grades 7 through 12 in the high school, times the ratio of six to the number of grades
7.36 in the high school.

8.1 (c) "Attendance area" means the total surface area of the district, in square miles,
 8.2 divided by the number of high schools in the district. For a district that does not operate
 8.3 a high school and is less than 19 miles from the nearest operating high school, the
 8.4 attendance area equals zero.

8.5 (d) "Isolation index" for a high school means the square root of 55 percent of the
 8.6 attendance area plus the distance in miles, according to the usually traveled routes,
 8.7 between the high school and the nearest high school. For a district in which there is located
 8.8 land defined in section 84A.01, 84A.20, or 84A.31, the distance in miles is the sum of:

- 8.9 (1) the square root of one-half of the attendance area; and
 8.10 (2) the distance from the border of the district to the nearest high school.

8.11 (e) "Qualifying high school" means a high school that has an isolation index greater
 8.12 than 23 and that has secondary average daily membership of less than 400.

8.13 (f) "Qualifying elementary school" means an a public elementary school, except a
 8.14 charter school under section 124D.10, that is located 19 miles or more from the nearest
 8.15 elementary school or from the nearest elementary school within the district and, in either
 8.16 case, has an elementary average daily membership of an average of 20 or fewer per grade.

8.17 (g) "Elementary average daily membership" means, for a district that has only
 8.18 one elementary school, the average daily membership of pupils served in kindergarten
 8.19 through grade 6. For a district that has more than one elementary school, "average daily
 8.20 membership" for each school means the average daily membership of pupils served in
 8.21 kindergarten through grade 6 multiplied by the ratio of seven to the number of grades
 8.22 in the elementary school.

8.23 Sec. 12. Minnesota Statutes 2005 Supplement, section 126C.43, subdivision 2, is
 8.24 amended to read:

8.25 **Subd. 2. Payment to unemployment insurance program trust fund by state**
 8.26 **and political subdivisions.** (a) A district may levy the amount necessary ~~(+)~~ (1) to pay
 8.27 the district's obligations under section 268.052, subdivision 1, and ~~(+)~~ (2) to pay for job
 8.28 placement services offered to employees who may become eligible for benefits pursuant
 8.29 to section 268.085 for the fiscal year the levy is certified.

8.30 (b) Districts with a balance remaining in their reserve for reemployment as of June
 8.31 30, 2003, may not expend the reserved funds for future reemployment expenditures. Each
 8.32 year a levy reduction must be made to return these funds to taxpayers. The amount of
 8.33 the levy reduction must be equal to the lesser of: (1) the remaining reserved balance for
 8.34 reemployment, or (2) the amount of the district's current levy under paragraph (a).

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

9.1 Sec. 13. Minnesota Statutes 2004, section 126C.44, is amended to read:

9.2 **126C.44 SAFE SCHOOLS LEVY.**

9.3 Each district may make a levy on all taxable property located within the district for
9.4 the purposes specified in this section. The maximum amount which may be levied for all
9.5 costs under this section shall be equal to \$27 multiplied by the district's adjusted marginal
9.6 cost pupil units for the school year. The proceeds of the levy must be reserved and used
9.7 for directly funding the following purposes or for reimbursing the cities and counties who
9.8 contract with the district for the following purposes: (1) to pay the costs incurred for the
9.9 salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in
9.10 services in the district's schools; (2) to pay the costs for a drug abuse prevention program
9.11 as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3)
9.12 to pay the costs for a gang resistance education training curriculum in the district's schools;
9.13 (4) to pay the costs for security in the district's schools and on school property; or (5) to
9.14 pay the costs for other crime prevention, drug abuse, student and staff safety, and violence
9.15 prevention measures taken by the school district. For expenditures under clause (1), the
9.16 district must initially attempt to contract for services to be provided by peace officers or
9.17 sheriffs with the police department of each city or the sheriff's department of the county
9.18 within the district containing the school receiving the services. If a local police department
9.19 or a county sheriff's department does not wish to provide the necessary services, the
9.20 district may contract for these services with any other police or sheriff's department
9.21 located entirely or partially within the school district's boundaries. ~~The levy authorized~~
9.22 ~~under this section is not included in determining the school district's levy limitations.~~

9.23 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2006.

9.24 Sec. 14. Minnesota Statutes 2005 Supplement, section 127A.45, subdivision 10,
9.25 is amended to read:

9.26 **Subd. 10. Payments to school nonoperating funds.** Each fiscal year state general
9.27 fund payments for a district nonoperating fund must be made at the current year aid
9.28 payment percentage of the estimated entitlement during the fiscal year of the entitlement.
9.29 This amount shall be paid in 12 equal monthly installments. The amount of the actual
9.30 entitlement, after adjustment for actual data, minus the payments made during the fiscal
9.31 year of the entitlement must be paid prior to October 31 of the following school year. The
9.32 commissioner may make advance payments of debt service equalization aid and state-paid
9.33 tax credits for a district's debt service fund earlier than would occur under the preceding
9.34 schedule if the district submits evidence showing a serious cash flow problem in the fund.
9.35 The commissioner may make earlier payments during the year and, if necessary, increase
9.36 the percent of the entitlement paid to reduce the cash flow problem.

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

10.2 Sec. 15. **REPEALER.**

10.3 Minnesota Statutes 2004, section 120A.20, subdivision 3, is repealed.

10.4 **ARTICLE 2**

10.5 **NUTRITION AND ACCOUNTING**

10.6 Section 1. Minnesota Statutes 2004, section 123B.10, subdivision 1, is amended to read:

10.7 Subdivision 1. **Budgets.** By ~~October 1~~ November 30, every board must
 10.8 publish revenue and expenditure budgets for the current year and the actual revenues,
 10.9 expenditures, fund balances for the prior year and projected fund balances for the current
 10.10 year in a form prescribed by the commissioner. The forms prescribed must be designed so
 10.11 that year to year comparisons of revenue, expenditures and fund balances can be made.
 10.12 These budgets, reports of revenue, expenditures and fund balances must be published in
 10.13 a qualified newspaper of general circulation in the district or on the district's official
 10.14 Web site. If published on the district's official Web site, the district must also publish an
 10.15 announcement in a qualified newspaper of general circulation in the district that includes
 10.16 the Internet address where the information has been posted.

10.17 **ARTICLE 3**

10.18 **STATE AGENCIES**

10.19 Section 1. Minnesota Statutes 2004, section 125A.69, subdivision 3, is amended to
 10.20 read:

10.21 Subd. 3. **Out-of-state admissions.** An applicant from another state who can benefit
 10.22 from attending either academy may be admitted to the academy if the admission does not
 10.23 prevent an eligible Minnesota resident from being admitted. The board of the Minnesota
 10.24 State Academies must obtain reimbursement from the other state for the costs of the
 10.25 out-of-state admission. The state board may enter into an agreement with the appropriate
 10.26 authority in the other state for the reimbursement. Money received from another state
 10.27 must be deposited in the ~~general~~ special revenue fund and credited to the general operating
 10.28 account of the academies. The money is appropriated to the academies.

10.29 **EFFECTIVE DATE.** This section is effective retroactively from fiscal year 2001.

10.30 **ARTICLE 4**

10.31 **EDUCATION FUNDING**

10.32 Section 1. Minnesota Statutes 2005 Supplement, section 121A.19, is amended to read:

10.33 **121A.19 DEVELOPMENTAL SCREENING AID.**

11.1 Each school year, the state must pay a district ~~\$50~~ for each ~~three-year-old child~~
11.2 ~~screened; \$40 for each four-year-old child screened; and \$30 for each five-year-old child~~
11.3 ~~or student~~ screened by the district ~~prior to kindergarten~~ according to the requirements of
11.4 section 121A.17. The amount of state aid for each child or student screened shall be: (1)
11.5 \$50 for a child screened at age three; (2) \$40 for a child screened at age four; (3) \$30
11.6 for a child screened at age five or six prior to kindergarten; and (4) \$30 for a student
11.7 screened within 30 days after first enrolling in a public school kindergarten if the student
11.8 has not previously been screened according to the requirements of section 121A.17. If this
11.9 amount of aid is insufficient, the district may permanently transfer from the general fund
11.10 an amount that, when added to the aid, is sufficient. Developmental screening aid shall not
11.11 be paid for any student who is screened more than 30 days after the first day of attendance
11.12 at a public school kindergarten, except if a student transfers to another public school
11.13 kindergarten within 30 days after first enrolling in a Minnesota public school kindergarten
11.14 program. In this case, if the student has not been screened, the district to which the student
11.15 transfers may receive developmental screening aid for screening that student when the
11.16 screening is performed within 30 days of the transfer date.

11.17 Sec. 2. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
11.18 amended to read:

11.19 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
11.20 school site, or charter school that meets the conditions of section 122A.414 and submits an
11.21 application approved by the commissioner is eligible for alternative teacher compensation
11.22 revenue.

11.23 (b) For school district and intermediate school district applications, the commissioner
11.24 must consider only those applications to participate that are submitted jointly by a
11.25 district and the exclusive representative of the teachers. The application must contain an
11.26 alternative teacher professional pay system agreement that:

11.27 (1) implements an alternative teacher professional pay system consistent with
11.28 section 122A.414; and

11.29 (2) is negotiated and adopted according to the Public Employment Labor Relations
11.30 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
11.31 district may enter into a contract for a term of two or four years.

11.32 Alternative teacher compensation revenue for a qualifying school district or site in
11.33 which the school board and the exclusive representative of the teachers agree to place
11.34 teachers in the district or at the site on the alternative teacher professional pay system
11.35 equals \$260 times the ratio of the formula allowance for the current fiscal year to the
11.36 formula allowance for fiscal year 2007 times the number of pupils enrolled at the district

12.1 or site on October 1 of the previous fiscal year. Alternative teacher compensation revenue
12.2 for a qualifying intermediate school district must be calculated under section 126C.10,
12.3 subdivision 34, paragraphs (a) and (b).

12.4 (c) For a newly combined or consolidated district, the revenue shall be computed
12.5 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
12.6 into the combination or consolidation. The commissioner may adjust the revenue
12.7 computed for a site using prior year data to reflect changes attributable to school closings,
12.8 school openings, or grade level reconfigurations between the prior year and the current
12.9 year.

12.10 (d) The revenue is available only to school districts, intermediate school districts,
12.11 school sites, and charter schools that fully implement an alternative teacher professional
12.12 pay system by October 1 of the current school year.

12.13 Sec. 3. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
12.14 amended to read:

12.15 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites,
12.16 or charter schools with approved applications must receive alternative compensation
12.17 revenue for each school year that the district, intermediate school district, school site,
12.18 or charter school implements an alternative teacher professional pay system under this
12.19 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
12.20 intermediate school district, school site, or charter school that received alternative teacher
12.21 compensation aid for the previous fiscal year must receive at least an amount of alternative
12.22 teacher compensation revenue equal to the lesser of the amount it received for the previous
12.23 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
12.24 the district, intermediate school district, school site, or charter school submits a timely
12.25 application and the commissioner determines that the district, intermediate school district,
12.26 school site, or charter school continues to implement an alternative teacher professional
12.27 pay system, consistent with its application under this section.

12.28 (b) The commissioner shall approve applications that comply with subdivision 1,
12.29 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
12.30 school, in the order in which they are received, select applicants that qualify for this
12.31 program, notify school districts, intermediate school districts, school sites, and charter
12.32 schools about the program, develop and disseminate application materials, and carry out
12.33 other activities needed to implement this section.

12.34 (c) For applications approved under this section before August 1 of the fiscal year for
12.35 which the aid is paid, the portion of the state total basic alternative teacher compensation
12.36 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year

13.1 2006 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of
13.2 the state total basic alternative teacher compensation aid entitlement allocated to charter
13.3 schools must not exceed the product of \$3,374,000 times the ratio of the state total charter
13.4 school enrollment for the previous fiscal year to the state total charter school enrollment
13.5 for the second previous year fiscal year 2006 times the ratio of the formula allowance for
13.6 the current fiscal year to the formula allowance for fiscal year 2007. Additional basic
13.7 alternative teacher compensation aid may be approved for charter schools after August 1,
13.8 not to exceed the charter school limit for the following fiscal year, if the basic alternative
13.9 teacher compensation aid entitlement for school districts based on applications approved
13.10 by August 1 does not expend the remaining amount under the limit.

13.11 Sec. 4. Minnesota Statutes 2004, section 124D.11, subdivision 9, is amended to read:

13.12 Subd. 9. **Payment of aids to charter schools.** (a) Notwithstanding section 127A.45,
13.13 subdivision 3, aid payments for the current fiscal year to a charter school not in its first
13.14 year of operation shall be of an equal amount on each of the 23 payment dates. A charter
13.15 school in its first year of operation shall receive, on its first payment date, ten percent of its
13.16 cumulative amount guaranteed for the year and 22 payments of an equal amount thereafter
13.17 the sum of which shall be 90 percent of equal the current year aid payment percentage
13.18 multiplied by the cumulative amount guaranteed.

13.19 (b) Notwithstanding paragraph (a), for a charter school ceasing operation prior to the
13.20 end of a school year, 80 percent of the current year aid payment percentage multiplied by
13.21 the amount due for the school year may be paid to the school after audit of prior fiscal year
13.22 and current fiscal year pupil counts. For a charter school ceasing operations prior to, or
13.23 at the end of a school year, notwithstanding section 127A.45, subdivision 3, preliminary
13.24 final payments may be made after audit of pupil counts, monitoring of special education
13.25 expenditures, and documentation of lease expenditures for the final year of operation.
13.26 Final payment may be made upon receipt of audited financial statements under section
13.27 123B.77, subdivision 3.

13.28 (c) Notwithstanding section 127A.45, subdivision 3, and paragraph (a), 80 percent
13.29 of the start-up cost aid under subdivision 8 shall be paid within 45 days after the first day
13.30 of student attendance for that school year.

13.31 (d) In order to receive state aid payments under this subdivision, a charter school in
13.32 its first three years of operation must submit a school calendar in the form and manner
13.33 requested by the department and a quarterly report to the Department of Education. The
13.34 report must list each student by grade, show the student's start and end dates, if any,
13.35 with the charter school, and for any student participating in a learning year program,
13.36 the report must list the hours and times of learning year activities. The report must be

14.1 submitted not more than two weeks after the end of the calendar quarter to the department.
14.2 The department must develop a Web-based reporting form for charter schools to use
14.3 when submitting enrollment reports. A charter school in its fourth and subsequent year of
14.4 operation must submit a school calendar and enrollment information to the department in
14.5 the form and manner requested by the department.

14.6 (e) Notwithstanding sections 317A.701 to 317A.791, upon closure of a charter
14.7 school and satisfaction of creditors, cash and investment balances remaining shall be
14.8 returned to the state.

14.9 Sec. 5. Minnesota Statutes 2005 Supplement, section 125A.11, subdivision 1, is
14.10 amended to read:

14.11 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2006,
14.12 when a school district provides instruction and services outside the district of residence,
14.13 board and lodging, and any tuition to be paid, shall be paid by the district of residence. The
14.14 tuition rate to be charged for any child with a disability, excluding a pupil for whom tuition
14.15 is calculated according to section 127A.47, subdivision 7, paragraph (d), must be the sum
14.16 of (1) the actual cost of providing special instruction and services to the child including
14.17 a proportionate amount for special transportation and unreimbursed building lease and
14.18 debt service costs for facilities used primarily for special education, plus (2) the amount
14.19 of general education revenue and referendum aid attributable to the pupil, minus (3) the
14.20 amount of special education aid for children with a disability received on behalf of that
14.21 child, minus (4) if the pupil receives special instruction and services outside the regular
14.22 classroom for more than 60 percent of the school day, the amount of general education
14.23 revenue and referendum aid, excluding portions attributable to district and school
14.24 administration, district support services, operations and maintenance, capital expenditures,
14.25 and pupil transportation, attributable to that pupil for the portion of time the pupil receives
14.26 special instruction in and services outside of the regular classroom. If the boards involved
14.27 do not agree upon the tuition rate, either board may apply to the commissioner to fix the
14.28 rate. Notwithstanding chapter 14, the commissioner must then set a date for a hearing or
14.29 request a written statement from each board, giving each board at least ten days' notice,
14.30 and after the hearing or review of the written statements the commissioner must make an
14.31 order fixing the tuition rate, which is binding on both school districts. General education
14.32 revenue and referendum aid attributable to a pupil must be calculated using the resident
14.33 district's average general education and referendum revenue per adjusted pupil unit.

14.34 (b) For fiscal year 2007 and later, when a school district provides special instruction
14.35 and services for a pupil with a disability as defined in section 125A.02 outside the district
14.36 of residence, excluding a pupil for whom an adjustment to special education aid is

15.1 calculated according to section 127A.47, subdivision 7, paragraph (e), special education
15.2 aid paid to the resident district must be reduced by an amount equal to (1) the actual
15.3 cost of providing special instruction and services to the pupil, including a proportionate
15.4 amount for special transportation and unreimbursed building lease and debt service costs
15.5 for facilities used primarily for special education, plus (2) the amount of general education
15.6 revenue and referendum aid attributable to that pupil, minus (3) the amount of special
15.7 education aid for children with a disability received on behalf of that child, minus (4) if the
15.8 pupil receives special instruction and services outside the regular classroom for more than
15.9 60 percent of the school day, the amount of general education revenue and referendum
15.10 aid, excluding portions attributable to district and school administration, district support
15.11 services, operations and maintenance, capital expenditures, and pupil transportation,
15.12 attributable to that pupil for the portion of time the pupil receives special instruction in
15.13 and services outside of the regular classroom. General education revenue and referendum
15.14 aid attributable to a pupil must be calculated using the resident district's average general
15.15 education revenue and referendum aid per adjusted pupil unit. Special education aid
15.16 paid to the district or cooperative providing special instruction and services for the pupil
15.17 must be increased by the amount of the reduction in the aid paid to the resident district.
15.18 Amounts paid to cooperatives under this subdivision and section 127A.47, subdivision
15.19 7, shall be recognized and reported as revenues and expenditures on the resident school
15.20 district's books of account under sections 123B.75 and 123B.76. If the resident district's
15.21 special education aid is insufficient to make the full adjustment, the remaining adjustment
15.22 shall be made to other state aid due to the district.

15.23 (c) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
15.24 paragraphs (d) and (e), a charter school where more than 30 percent of enrolled students
15.25 receive special education and related services, an intermediate district, or a special
15.26 education cooperative may apply to the commissioner for authority to charge the resident
15.27 district an additional amount to recover any remaining unreimbursed costs of serving
15.28 pupils with a disability. The application must include a description of the costs and the
15.29 calculations used to determine the unreimbursed portion to be charged to the resident
15.30 district. Amounts approved by the commissioner under this paragraph must be included
15.31 in the tuition billings or aid adjustments under paragraph (a) or (b), or section 127A.47,
15.32 subdivision 7, paragraph (d) or (e), as applicable.

15.33 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraphs
15.34 (d) and (e), "general education revenue and referendum aid" means the sum of the general
15.35 education revenue according to section 126C.10, subdivision 1, excluding alternative
15.36 teacher compensation revenue, plus the referendum aid according to section 126C.17,

16.1 subdivision 7, as adjusted according to section 127A.47, subdivision 7, paragraphs (a),
 16.2 (b), and (c).

16.3 **EFFECTIVE DATE. This section is effective for fiscal year 2006.**

16.4 Sec. 6. Minnesota Statutes 2004, section 125A.27, subdivision 3, is amended to read:

16.5 Subd. 3. **Core early intervention services.** "Core early intervention services"
 16.6 means services that are available at no cost to children and families. These services
 16.7 include:

16.8 (1) identification and referral;

16.9 (2) screening;

16.10 (3) evaluation;

16.11 (4) assessment;

16.12 (5) service coordination;

16.13 (6) special education and related services ~~provided under section 125A.08, and~~
 16.14 ~~United States Code, title 20, section 1401~~ for children who qualify for these services
 16.15 under Minnesota Rules; and

16.16 (7) protection of parent and child rights by means of procedural safeguards.

16.17 Sec. 7. Minnesota Statutes 2004, section 125A.27, subdivision 7, is amended to read:

16.18 Subd. 7. **Early intervention system.** "Early intervention system" means the total
 16.19 effort in the state to meet the needs of eligible children and their families, ~~including,~~
 16.20 ~~but not limited to:~~

16.21 ~~(1) any public agency in the state that receives funds under the Individuals with~~
 16.22 ~~Disabilities Education Act, United States Code, title 20, sections 1471 to 1485 (Part~~
 16.23 ~~C, Public Law 102-119);~~

16.24 ~~(2) other state and local agencies administering programs involved in the provision~~
 16.25 ~~of early intervention services, including, but not limited to:~~

16.26 ~~(i) the Maternal and Child Health program under title V of the Social Security Act,~~
 16.27 ~~United States Code, title 42, sections 701 to 709;~~

16.28 ~~(ii) the Individuals with Disabilities Education Act, United States Code, title 20,~~
 16.29 ~~sections 1411 to 1420 (Part B);~~

16.30 ~~(iii) medical assistance under the Social Security Act, United States Code, title~~
 16.31 ~~42, section 1396 et seq.;~~

16.32 ~~(iv) the Developmental Disabilities Assistance and Bill of Rights Act, United States~~
 16.33 ~~Code, title 42, sections 6021 to 6030 (Part B); and~~

16.34 ~~(v) the Head Start Act, United States Code, title 42, sections 9831 to 9852; and~~

17.1 ~~(3) services provided by private groups or third-party payers in conformity with an~~
 17.2 ~~individualized family service plan.~~

17.3 Sec. 8. Minnesota Statutes 2004, section 125A.27, subdivision 8, is amended to read:

17.4 Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for early
 17.5 childhood special education under section 125A.02 and Minnesota Rules, ~~part 3525.2335,~~
 17.6 ~~subpart 1, items A and B.~~

17.7 Sec. 9. Minnesota Statutes 2004, section 125A.27, subdivision 15, is amended to read:

17.8 Subd. 15. **Part C state plan.** "Part C state plan" means the annual state plan
 17.9 application approved by the federal government ~~under the Individuals with Disabilities~~
 17.10 ~~Education Act, United States Code, title 20, section 1471 et seq. (Part C, Public Law~~
 17.11 ~~105-117).~~

17.12 Sec. 10. Minnesota Statutes 2004, section 125A.27, subdivision 18, is amended to read:

17.13 Subd. 18. **State lead agency.** "State lead agency" means the state agency receiving
 17.14 federal funds ~~under the Individuals with Disabilities Education Act, United States Code,~~
 17.15 ~~title 20, section 1471 et seq. (Part II, Public Law 102-119)~~ for the purposes of providing
 17.16 early intervention services.

17.17 Sec. 11. Minnesota Statutes 2005 Supplement, section 125A.79, subdivision 1, is
 17.18 amended to read:

17.19 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
 17.20 subdivision apply.

17.21 (a) "Unreimbursed special education cost" means the sum of the following:

17.22 (1) expenditures for teachers' salaries, contracted services, supplies, equipment, and
 17.23 transportation services eligible for revenue under section 125A.76; plus

17.24 (2) expenditures for tuition bills received under sections 125A.03 to 125A.24 and
 17.25 125A.65 for services eligible for revenue under section 125A.76, subdivision 2; minus

17.26 (3) revenue for teachers' salaries, contracted services, supplies, and equipment under
 17.27 section 125A.76; minus

17.28 (4) tuition receipts under sections 125A.03 to 125A.24 and 125A.65 for services
 17.29 eligible for revenue under section 125A.76, subdivision 2.

17.30 (b) "General revenue" means the sum of the general education revenue according to
 17.31 section 126C.10, subdivision 1, ~~as adjusted according to section 127A.47, subdivisions~~
 17.32 ~~7 and 8~~ excluding alternative teacher compensation revenue, plus the total qualifying
 17.33 referendum revenue specified in paragraph (e) minus transportation sparsity revenue
 17.34 minus total operating capital revenue.

17.35 (c) "Average daily membership" has the meaning given it in section 126C.05.

18.1 (d) "Program growth factor" means 1.02 for fiscal year 2003, and 1.0 for fiscal
18.2 year 2004 and later.

18.3 (e) "Total qualifying referendum revenue" means two-thirds of the district's total
18.4 referendum revenue as adjusted according to section 127A.47, subdivision 7, paragraphs
18.5 (a), (b), and (c), for fiscal year 2006, one-third of the district's total referendum revenue
18.6 for fiscal year 2007, and none of the district's total referendum revenue for fiscal year
18.7 2008 and later.

18.8 **EFFECTIVE DATE. This section is effective for revenue for fiscal year 2006.**

18.9 Sec. 12. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 31,
18.10 is amended to read:

18.11 Subd. 31. **Transition revenue.** (a) A district's transition allowance equals the
18.12 greater of zero or the product of the ratio of the number of adjusted marginal cost pupil
18.13 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002
18.14 to the district's adjusted marginal cost pupil units for fiscal year 2004, times the difference
18.15 between: (1) the lesser of the district's general education revenue per adjusted marginal
18.16 cost pupil unit for fiscal year 2003 or the amount of general education revenue the district
18.17 would have received per adjusted marginal cost pupil unit for fiscal year 2004 according
18.18 to Minnesota Statutes 2002, and (2) the district's general education revenue for fiscal year
18.19 2004 excluding transition revenue divided by the number of adjusted marginal cost pupil
18.20 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002.

18.21 (b) A district's transition revenue for fiscal year 2006 and later equals the sum of (1)
18.22 the product of the district's transition allowance times the district's adjusted marginal cost
18.23 pupil units plus (2) the amount of referendum revenue under section 126C.17 and general
18.24 education revenue, excluding transition revenue, for fiscal year 2004 attributable to pupils
18.25 four or five years of age on September 1, 2003, enrolled in a prekindergarten program
18.26 implemented by the district before July 1, 2003, and reported as kindergarten pupils under
18.27 section 126C.05, subdivision 1, for fiscal year 2004, plus (3) the amount of compensatory
18.28 education revenue under subdivision 3 for fiscal year 2005 attributable to pupils four years
18.29 of age on September 1, 2003, enrolled in a prekindergarten program implemented by the
18.30 district before July 1, 2003, and reported as kindergarten pupils under section 126C.05,
18.31 subdivision 1, for fiscal year 2004 ~~multiplied by .04~~.

18.32 **EFFECTIVE DATE. This section is effective for revenue for fiscal year 2006.**

18.33 Sec. 13. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 34,
18.34 is amended to read:

19.1 Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal year 2006,
19.2 the basic alternative teacher compensation aid for a school district or an intermediate
19.3 school district with a plan approved under section 122A.414, subdivision 2b, equals the
alternative teacher compensation revenue under section 122A.415, subdivision 1. The
19.5 basic alternative teacher compensation aid for a charter school with an approved plan
19.6 under section 122A.414, subdivision 2b, equals \$260 times the number of pupils enrolled
19.7 in the school on October 1 of the previous school year, or on October 1 of the current
19.8 fiscal year for a charter school in the first year of operation.

19.9 (b) For fiscal year 2007 ~~and later~~, the basic alternative teacher compensation aid
19.10 for a school district with a plan approved under section 122A.414, subdivision 2b, equals
19.11 73.1 percent of the alternative teacher compensation revenue under section 122A.415,
19.12 subdivision 1. The basic alternative teacher compensation aid for an intermediate school
19.13 district or charter school with a plan approved under section 122A.414, subdivisions 2a
19.14 and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled
19.15 in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal
19.16 year for a charter school in the first year of operation, times the ratio of the sum of the
19.17 alternative teacher compensation aid and alternative teacher compensation levy for all
19.18 participating school districts to the maximum alternative teacher compensation revenue
19.19 for those districts under section 122A.415, subdivision 1.

19.20 (c) For fiscal year 2008 and later, the basic alternative teacher compensation aid for
19.21 a school district with a plan approved under section 122A.414, subdivision 2b, equals the
19.22 alternative teacher compensation revenue under section 122A.415, subdivision 1, minus
19.23 \$69.94 times the number of pupils enrolled at participating sites on October 1 of the
19.24 previous fiscal year. The basic alternative teacher compensation aid for an intermediate
19.25 school district or charter school with a plan approved under section 122A.414, subdivisions
19.26 2a and 2b, if the recipient is a charter school, equals \$260 times the ratio of the formula
19.27 allowance for the current fiscal year to the formula allowance for fiscal year 2007 times
19.28 the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on
19.29 October 1 of the current fiscal year for a charter school in the first year of operation, times
19.30 the ratio of the sum of the alternative teacher compensation aid and alternative teacher
19.31 compensation levy for all participating school districts to the maximum alternative teacher
19.32 compensation revenue for those districts under section 122A.415, subdivision 1.

19.33 (d) Notwithstanding paragraphs (a) and, (b), and (c) and section 122A.415,
19.34 subdivision 1, the state total basic alternative teacher compensation aid entitlement must
19.35 not exceed \$19,329,000 for fiscal year 2006 and, \$75,636,000 for fiscal year 2007, and,
19.36 for fiscal year 2008 and later, \$75,636,000 times the ratio of the formula allowance

20.1 for the current fiscal year to the formula allowance for fiscal year 2007 and later. The
20.2 commissioner must limit the amount of alternative teacher compensation aid approved
20.3 under ~~section~~ sections 122A.415 and 122A.416 so as not to exceed these limits.

20.4 Sec. 14. Minnesota Statutes 2004, section 127A.41, subdivision 2, is amended to read:

20.5 Subd. 2. **Errors in distribution.** On determining that the amount of state aid
20.6 distributed to a school district is in error, the commissioner is authorized to adjust the
20.7 amount of aid consistent with this subdivision. On determining that the amount of aid is
20.8 in excess of the school district's entitlement, the commissioner is authorized to recover
20.9 the amount of the excess by any appropriate means. Notwithstanding the fiscal years
20.10 designated by the appropriation, the excess may be recovered by reducing future aid
20.11 payments to the district. Notwithstanding any law to the contrary, if the aid reduced is not
20.12 of the same type as that overpaid, the district must adjust all necessary financial accounts
20.13 to properly reflect all revenues earned in accordance with the uniform financial accounting
20.14 and reporting standards pursuant to sections 123B.75 to 123B.83. Notwithstanding the
20.15 fiscal years designated by the appropriation, on determining that the amount of an aid paid
20.16 is less than the school district's entitlement, the commissioner is authorized to increase
20.17 such aid from the current appropriation. If the aid program has been discontinued and has
20.18 no appropriation, the appropriation for general education shall be used for recovery or
20.19 payment of the aid decrease or increase. Any excess of aid recovery over aid payment
20.20 shall be cancelled to the state general fund.

20.21 Sec. 15. Laws 2005, First Special Session chapter 5, article 1, section 47, is amended
20.22 to read:

20.23 Sec. 47. **ALTERNATIVE TEACHER COMPENSATION REVENUE**
20.24 **GUARANTEE.**

20.25 Notwithstanding Minnesota Statutes, sections 122A.415, subdivision 1, and
20.26 126C.10, subdivision 34, paragraphs (a) and (b), a school district that received alternative
20.27 teacher compensation aid for fiscal year 2005, but does not qualify for alternative
20.28 teacher compensation revenue for all sites in the district for fiscal year 2006 ~~or~~, 2007,
20.29 2008, or 2009, shall receive additional basic alternative teacher compensation aid for
20.30 that fiscal year equal to the lesser of the amount of alternative teacher compensation
20.31 aid it received for fiscal year 2005 or the amount it would have received for that fiscal
20.32 year under Minnesota Statutes 2004, section 122A.415, subdivision 1, for teachers at
20.33 sites not qualifying for alternative teacher compensation revenue for that fiscal year, if
20.34 the district submits a timely application and the commissioner determines that the district
20.35 continues to implement an alternative teacher compensation system, consistent with its
20.36 application under Minnesota Statutes 2004, section 122A.415, for fiscal year 2005. The

21.1 additional basic alternative teacher compensation aid under this section must not be used
 21.2 in calculating the alternative teacher compensation levy under Minnesota Statutes, section
 21.3 126C.10, subdivision 35. This section applies only to fiscal years 2006 ~~and 2007~~ through
 21.4 2009 and does not apply to later fiscal years.

21.5 **Sec. 16. WASECA LEVY; APPROPRIATION.**

21.6 Independent School District No. 829, Waseca, may levy up to \$343,550 beginning
 21.7 in 2006 over five years for health and safety revenue lost due to miscalculation. \$316,000
 21.8 is appropriated in fiscal year 2007 to the commissioner of education for payment of the aid
 21.9 portion of lost revenue. If the district does not levy the full amount authorized within the
 21.10 five year period, other state aid due to the district shall be reduced proportionately. This is
 21.11 a onetime appropriation for fiscal year 2007.

21.12 **Sec. 17. APPROPRIATIONS.**

21.13 Subdivision 1. Department of Education. The sums indicated in this section are
 21.14 appropriated from the general fund to the Department of Education for the fiscal years
 21.15 designated.

21.16 **Subd. 2. Early childhood Part C. For the expansion of early childhood Part C**
 21.17 **services:**

21.18 \$ 1,049,000 2007

21.19 **Subd. 3. Early childhood screening. For aid to districts screening kindergarten**
 21.20 **children:**

21.21 \$ 89,000 2006

21.22 \$ 54,000 2007

21.23 The fiscal year 2006 appropriation includes \$0 for fiscal year 2005 and \$89,000
 21.24 for fiscal year 2006.

21.25 The fiscal year 2007 appropriation includes \$10,000 for fiscal year 2006 and \$44,000
 21.26 for fiscal year 2007.

21.27 These appropriations are in addition to other appropriations provided for the
 21.28 program.

21.29 This appropriation is to provide aid to school districts for children screened after
 21.30 entering kindergarten under Minnesota Statutes, section 121A.17, subdivision 2.

21.31 **Subd. 4. Prekindergarten program transition revenue. For transition revenue for**
 21.32 **modifications to prekindergarten programs:**

21.33 \$ 968,000 2006

21.34 \$ 851,000 2007

22.1 The fiscal year 2006 appropriation includes \$0 for fiscal year 2005 and \$968,000
22.2 for fiscal year 2006.

22.3 The fiscal year 2007 appropriation includes \$108,000 for fiscal year 2006 and
22.4 \$743,000 for fiscal year 2007.

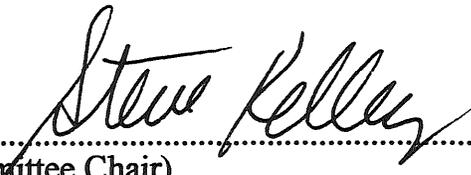
22.5 These appropriations are added to the appropriation for general education.

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

22.7 Amend the title accordingly

22.8 And when so amended the bill do pass and be re-referred to the Committee on
22.9 Finance. Amendments adopted. Report adopted.

22.10
22.11 (Committee Chair)



22.12 March 23, 2006
22.13 (Date of Committee recommendation)

2.1 WHEREAS, Congress is now currently debating the most effective ways to improve
2.2 education among the states; NOW, THEREFORE,

2.3 BE IT RESOLVED by the Legislature of the State of Minnesota that Congress should
2.4 speedily adhere to the goal to fund 40 percent of special education costs initially stated in the
2.5 Individuals with Disabilities Education Act and appropriate to the states significant, genuine
2.6 assistance to meet the needs of students with disabilities.

2.7 BE IT FURTHER RESOLVED that federal maintenance of effort requirements should only
2.8 apply to state appropriations for special education and not to local school district subsidies for
2.9 special education from general education funds.

2.10 BE IT FURTHER RESOLVED that the Secretary of State of the State of Minnesota is
2.11 directed to prepare copies of this memorial and transmit them to the President of the United States,
2.12 the President and the Secretary of the United States Senate, the Speaker and the Clerk of the United
2.13 States House of Representatives, and Minnesota's Senators and Representatives in Congress.

Senator Pogemiller introduced—

S.F. No. 2588: Referred to the Committee on Education.

1.1 A bill for an act
relating to education; reporting special education litigation costs; amending
Minnesota Statutes 2004, section 125A.75, by adding a subdivision.

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

1.5 Section 1. Minnesota Statutes 2004, section 125A.75, is amended by adding a
1.6 subdivision to read:

1.7 Subd. 9. Litigation costs; annual report. (a) By August 1, a school district must
1.8 annually report the district's special education litigation costs, including due process
1.9 hearings, to the commissioner of education. The district must submit an itemized list of
1.10 actual special education litigation costs, including attorney fees, for hearings completed
1.11 during the previous fiscal year.

(b) By October 1 of each year, the commissioner shall report school district special
1.13 education litigation costs to the house of representatives and the senate committees having
1.14 jurisdiction over kindergarten through grade 12 education finance.

2.1 commissioner to fix the rate. Notwithstanding chapter 14, the commissioner must then set
2.2 a date for a hearing or request a written statement from each board, giving each board
2.3 at least ten days' notice, and after the hearing or review of the written statements the
2.4 commissioner must make an order fixing the tuition rate, which is binding on both school
2.5 districts. General education revenue and referendum aid attributable to a pupil must be
2.6 calculated using the resident district's average general education and referendum revenue
2.7 per adjusted pupil unit.

2.8 (b) For fiscal year 2007 and later, when a school district provides special instruction
2.9 and services for a pupil with a disability as defined in section 125A.02 outside the district
2.10 of residence, excluding a pupil for whom an adjustment to special education aid is
2.11 calculated according to section 127A.47, subdivision 7, paragraph (e), special education
2.12 aid paid to the resident district must be reduced by an amount equal to (1) the actual
2.13 cost of providing special instruction and services to the pupil, including a proportionate
2.14 amount for special transportation and unreimbursed building lease and debt service costs
2.15 for facilities used primarily for special education, plus (2) the amount of general education
2.16 revenue and referendum aid attributable to that pupil, minus (3) the amount of special
2.17 education aid for children with a disability received on behalf of that child, minus (4) if the
2.18 pupil receives special instruction and services outside the regular classroom for more than
2.19 60 percent of the school day, the amount of general education revenue and referendum
2.20 aid, excluding portions attributable to district and school administration, district support
2.21 services, operations and maintenance, capital expenditures, and pupil transportation,
2.22 attributable to that pupil for the portion of time the pupil receives special instruction in
2.23 and services outside of the regular classroom. General education revenue and referendum
2.24 aid attributable to a pupil must be calculated using the resident district's average general
2.25 education revenue and referendum aid per adjusted pupil unit. Special education aid
2.26 paid to the district or cooperative providing special instruction and services for the pupil
2.27 must be increased by the amount of the reduction in the aid paid to the resident district.
2.28 Amounts paid to cooperatives under this subdivision and section 127A.47, subdivision
2.29 7, shall be recognized and reported as revenues and expenditures on the resident school
2.30 district's books of account under sections 123B.75 and 123B.76. If the resident district's
2.31 special education aid is insufficient to make the full adjustment, the remaining adjustment
2.32 shall be made to other state aid due to the district.

2.33 (c) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
2.34 paragraphs (d) and (e), a charter school where more than 30 percent of enrolled students
2.35 receive special education and related services, an intermediate district, or a special
2.36 education cooperative may apply to the commissioner for authority to charge the resident

3.1 district an additional amount to recover any remaining unreimbursed costs of serving
3.2 pupils with a disability. The application must include a description of the costs and the
3.3 calculations used to determine the unreimbursed portion to be charged to the resident
district. Amounts approved by the commissioner under this paragraph must be included
3.5 in the tuition billings or aid adjustments under paragraph (a) or (b), or section 127A.47,
3.6 subdivision 7, paragraph (d) or (e), as applicable.

3.7 (d) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
3.8 paragraphs (d) and (e), a group of districts jointly providing special education services
3.9 through an intermediate school district, service cooperative, special education cooperative,
3.10 or other joint powers agreement is not subject to the uniform tuition calculations or aid
3.11 adjustments for the jointly provided special education services but may instead continue
3.12 to bill the resident school districts for the actual nonreimbursed special education costs
3.13 for fiscal years 2006 and 2007.

3.14 **EFFECTIVE DATE.** This section is effective the day following final enactment
3.15 for fiscal year 2006.

2.1 (d) The board must provide the leadership and shall adopt rules for the redesign of
2.2 teacher education programs to implement a research based, results-oriented curriculum that
2.3 focuses on the skills teachers need in order to be effective. The board shall implement new
2.4 systems of teacher preparation program evaluation to assure program effectiveness based
2.5 on proficiency of graduates in demonstrating attainment of program outcomes. The board
2.6 must require that persons enrolled in a teacher preparation program receive instruction
2.7 in historical and cultural competencies related to Minnesota American Indian tribes and
2.8 communities and their contributions to Minnesota, consistent with sections 124D.71 to
2.9 124D.82. The competencies related to Minnesota American Indian tribes and communities
2.10 must include, among other components, standards for instructional practices most effective
2.11 for successfully teaching elementary and secondary American Indian students.

2.12 (e) The board must adopt rules requiring successful completion of an examination
2.13 of general pedagogical knowledge and examinations of licensure-specific teaching
2.14 skills. The rules shall be effective on the dates determined by the board but not later
2.15 than September 1, 2001.

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

2.19 (g) The board must grant licenses to interns and to candidates for initial licenses.

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

2.23 (i) The board must receive recommendations from local committees as established
2.24 by the board for the renewal of teaching licenses.

2.25 (j) The board must grant life licenses to those who qualify according to requirements
2.26 established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and
2.27 214.10. The board must not establish any expiration date for application for life licenses.

2.28 (k) The board must adopt rules that require all licensed teachers who are renewing
2.29 their continuing license to include in their renewal requirements further preparation in
2.30 the areas of using positive behavior interventions and in accommodating, modifying, and
2.31 adapting curricula, materials, and strategies to appropriately meet the needs of individual
2.32 students and ensure adequate progress toward the state's graduation rule.

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

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

3.7 (n) The board must adopt rules that require all licensed teachers who are renewing
3.8 their continuing license to include in their renewal requirements further preparation
3.9 in understanding the key warning signs of early-onset mental illness in children and
3.10 adolescents.

3.11 (o) The board must adopt rules to include instruction and other development
3.12 activities to improve the understanding and effective instruction of and communication
3.13 with Minnesota American Indian tribes and communities, consistent with paragraph (d)
3.14 and sections 124D.71 to 124D.82, in the 125 clock hours of professional development that
3.15 teachers must complete to renew their professional teaching license.

3.16 EFFECTIVE DATE. This section is effective for the 2006-2007 school year and
3.17 later.

3.18 **Sec. 2. ADVISORY TASK FORCE ON MINNESOTA AMERICAN INDIAN**
3.19 **TRIBES AND COMMUNITIES AND K-12 STANDARDS-BASED REFORM.**

3.20 (a) An advisory task force on Minnesota American Indian tribes and communities
3.21 and K-12 standards-based reform is established to examine the impact of state and federal
3.22 standards-based reform on Minnesota's K-12 American Indian students and to recommend
3.23 to the legislature changes to the state's performance standards, content requirements,
3.24 assessments measures, and teacher preparation programs to most effectively meet the
3.25 educational needs of American Indian students enrolled in Minnesota schools. The
3.26 task force, in consultation with American Indian educators and parents, and others who
3.27 advocate for American Indian children, at least must determine if state education standards
3.28 and assessments are inappropriate for American Indian students, if American Indian
3.29 students are unfairly compared, if American Indian students do not receive the assistance
3.30 they need to achieve the state standards, and if schools do not receive financial and
3.31 technical assistance sufficient to meet the educational needs of American Indian students.

3.32 (b) The commissioner of education shall appoint an advisory task force on
3.33 Minnesota American Indian tribes and communities and K-12 standards-based reform
3.34 that is composed of the following representatives: education department staff experienced
3.35 in working with American Indian students and programs; Minnesota American Indian

4.1 tribes and communities; Minnesota School Boards Association; school administrators;
4.2 Education Minnesota; the state Board of Teaching; a minority member and majority
4.3 member both from the Minnesota House of Representatives and from the Minnesota
4.4 Senate; the Minnesota Council on Indian Affairs; postsecondary faculty who serve as
4.5 instructors in teacher preparation programs; local community service providers who work
4.6 with Minnesota American Indian tribes and communities; and other representatives
4.7 recommended by task force members. Task force members' terms and other task force
4.8 matters are subject to Minnesota Statutes, section 15.059. The task force must submit a
4.9 written report to the legislative committees having jurisdiction over education policy
4.10 and finance by February 15, 2007, that includes any recommended changes to the
4.11 state's performance standards, content requirements, assessments measures, and teacher
4.12 preparation programs to most effectively meet the educational needs of American Indian
4.13 students enrolled in Minnesota schools.

4.14 (c) Upon request, the commissioner of education must provide the task force with
4.15 technical, fiscal, and other support.

4.16 (d) The task force expires on February 16, 2007.

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

Senators Hann and Wergin introduced-

S.F. No. 3534: Referred to the Committee on Education.

1.1 A bill for an act
2 relating to education finance; providing for an approved special education study
1.3 and report; appropriating money.

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

1.5 Section 1. SPECIAL EDUCATION STUDY.

1.6 (a) The commissioner of education must contract with an independent consultant that
1.7 has extensive experience working with various states on special education finance systems
1.8 to evaluate Minnesota's special education funding structure and make recommendations to
1.9 improve its effectiveness.

1.10 (b) The consultant must do the following:

1.11 (1) conduct an in-depth analysis of the current special education finance system
1.12 in Minnesota;

1.13 (2) convene a task force in Minnesota consisting of superintendents and special
1.14 education directors to help formulate recommendations for improvement; and

1.15 (3) prepare a report to be submitted to the Department of Education and the
1.16 legislature.

1.17 (c) In addition to the requirements in paragraph (b), the consultant must analyze
1.18 and report on the effectiveness of the current special education program in educating
1.19 Minnesota students. The consultant must use a statistical analysis to help explain
1.20 differences in spending across school districts while controlling for student performance.

1.21 (d) The commissioner must report on the findings on the contract to the legislative
1.22 committees having jurisdiction over kindergarten through grade 12 finance before
1.23 December 15, 2007.

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

2.2 Sec. 2. **APPROPRIATION.**

2.3 **Subdivision 1. Department of Education.** The sum indicated in this section is
2.4 appropriated from the general fund to the Department of Education for the fiscal year
2.5 designated.

2.6 **Subd. 2. Improved school finance system contract.** For a contract to follow up on
2.7 the work of the governor's education funding task force:

2.8 \$ 250,000 2007

1.1 Senator moves to amend S.F. No. 3274 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 " ARTICLE 1

1.4 GENERAL EDUCATION REVENUE

1.5 Section 1. Minnesota Statutes 2004, section 120A.20, subdivision 1, is amended to
1.6 read:

1.7 Subdivision 1. **Age limitations; pupils.** (a) All schools supported in whole or
1.8 in part by state funds are public schools. Admission to a public school is free to any
1.9 person who: (1) resides within the district that operates the school, ~~who~~; (2) is under 21
1.10 years of age; or who meet the requirements of paragraph (c); and who (3) satisfies the
1.11 minimum age requirements imposed by this section. Notwithstanding the provisions of
1.12 any law to the contrary, the conduct of all ~~students under 21 years of age~~ pupils attending a
1.13 public secondary school is governed by a single set of reasonable rules and regulations
1.14 promulgated by the school board.

1.15 ~~No~~ (b) A person shall not be admitted to ~~any~~ a public school (1) as a kindergarten
1.16 pupil, unless the pupil is at least five years of age on September 1 of the calendar year in
1.17 which the school year for which the pupil seeks admission commences; or (2) as a 1st
1.18 grade student, unless the pupil is at least six years of age on September 1 of the calendar
1.19 year in which the school year for which the pupil seeks admission commences or has
1.20 completed kindergarten; except that any school board may establish a policy for admission
1.21 of selected pupils at an earlier age.

1.22 (c) A pupil who becomes age 21 after enrollment is eligible for continued free public
1.23 school enrollment until at least one of the following occurs: (1) the first September 1 after
1.24 the pupil's 21st birthday; (2) the pupil's completion of the graduation requirements; (3)
1.25 the pupil's withdrawal with no subsequent enrollment within 21 calendar days; or (4)
1.26 the end of the school year.

1.27 Sec. 2. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
1.28 amended to read:

1.29 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
1.30 school site, or charter school that meets the conditions of section 122A.414 and submits an
1.31 application approved by the commissioner is eligible for alternative teacher compensation
1.32 revenue.

1.33 (b) For school district and intermediate school district applications, the commissioner
1.34 must consider only those applications to participate that are submitted jointly by a
1.35 district and the exclusive representative of the teachers. The application must contain an
1.36 alternative teacher professional pay system agreement that:

2.1 (1) implements an alternative teacher professional pay system consistent with
2.2 section 122A.414; and

2.3 (2) is negotiated and adopted according to the Public Employment Labor Relations
2.4 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
2.5 district may enter into a contract for a term of two or four years.

2.6 Alternative teacher compensation revenue for a qualifying school district or site in
2.7 which the school board and the exclusive representative of the teachers agree to place
2.8 teachers in the district or at the site on the alternative teacher professional pay system
2.9 equals \$260 times the number of pupils enrolled at the district or site on October 1 of
2.10 the previous fiscal year. Alternative teacher compensation revenue for a qualifying
2.11 intermediate school district must be calculated under section 126C.10, subdivision 34,
2.12 paragraphs (a) and (b).

2.13 (c) For a newly combined or consolidated district, the revenue shall be computed
2.14 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
2.15 into the combination or consolidation. The commissioner may adjust the revenue
2.16 computed for a site using prior year data to reflect changes attributable to school closings,
2.17 school openings, or grade level reconfigurations between the prior year and the current
2.18 year.

2.19 (d) The revenue is available only to school districts, intermediate school districts,
2.20 school sites, and charter schools that fully implement an alternative teacher professional
2.21 pay system by October 1 of the current school year.

2.22 (e) The revenue must be maintained in a reserve account within the general fund.

2.23 Sec. 3. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
2.24 amended to read:

2.25 **Subd. 3. Revenue timing.** (a) Districts, intermediate school districts, school sites,
2.26 or charter schools with approved applications must receive alternative compensation
2.27 revenue for each school year that the district, intermediate school district, school site,
2.28 or charter school implements an alternative teacher professional pay system under this
2.29 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
2.30 intermediate school district, school site, or charter school that received alternative teacher
2.31 compensation aid for the previous fiscal year must receive at least an amount of alternative
2.32 teacher compensation revenue equal to the lesser of the amount it received for the previous
2.33 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
2.34 the district, intermediate school district, school site, or charter school submits a timely
2.35 application and the commissioner determines that the district, intermediate school district,

3.1 school site, or charter school continues to implement an alternative teacher professional
3.2 pay system, consistent with its application under this section.

3.3 (b) The commissioner shall approve applications that comply with subdivision 1,
3.4 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
3.5 school, in the order in which they are received, select applicants that qualify for this
3.6 program, notify school districts, intermediate school districts, school sites, and charter
3.7 schools about the program, develop and disseminate application materials, and carry out
3.8 other activities needed to implement this section.

3.9 (c) For applications approved under this section before August 1 of the fiscal year for
3.10 which the aid is paid, the portion of the state total basic alternative teacher compensation
3.11 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year 2006
3.12 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of the state
3.13 total basic alternative teacher compensation aid entitlement allocated to charter schools
3.14 must not exceed the product of \$3,374,000 times the ratio of the state total charter school
3.15 enrollment for the previous fiscal year to the state total charter school enrollment for ~~the~~
3.16 ~~second previous year~~ fiscal year 2006. Additional basic alternative teacher compensation
3.17 aid may be approved for charter schools after August 1, not to exceed the charter school
3.18 limit for the following fiscal year, if the basic alternative teacher compensation aid
3.19 entitlement for school districts and intermediate school districts based on applications
3.20 approved by August 1 does not expend the remaining amount under the limit.

3.21 Sec. 4. Minnesota Statutes 2004, section 123A.06, subdivision 2, is amended to read:

3.22 Subd. 2. **People to be served.** A center shall provide programs for secondary
3.23 pupils and adults. A center may also provide programs and services for elementary and
3.24 secondary pupils who are not attending the center to assist them in being successful in
3.25 school. A center shall use research-based best practices for serving limited English
3.26 proficient students and their parents. An individual education plan team may identify a
3.27 center as an appropriate placement to the extent a center can provide the student with the
3.28 appropriate special education services described in the student's plan. Pupils eligible to
3.29 be served are those ~~age five to adults 22 and older~~ who qualify under the graduation
3.30 incentives program in section 124D.68, subdivision 2, those enrolled under section
3.31 124D.02, subdivision 2, or those pupils who are eligible to receive special education
3.32 services under sections 125A.03 to 125A.24, and 125A.65.

3.33 Sec. 5. Minnesota Statutes 2005 Supplement, section 123B.76, subdivision 3, is
3.34 amended to read:

3.35 Subd. 3. **Expenditures by building.** (a) For the purposes of this section, "building"
3.36 means education site as defined in section 123B.04, subdivision 1.

4.1 (b) Each district shall maintain separate accounts to identify general fund
 4.2 expenditures for each building. All expenditures for regular instruction, secondary
 4.3 vocational instruction, and school administration must be reported to the department
 4.4 separately for each building. All expenditures for special education instruction,
 4.5 instructional support services, and pupil support services provided within a specific
 4.6 building must be reported to the department separately for each building. Salary
 4.7 expenditures reported by building must reflect actual salaries for staff at the building and
 4.8 must not be based on districtwide averages. All other general fund expenditures may be
 4.9 reported by building or on a districtwide basis.

4.10 (c) The department must annually report information showing school district general
 4.11 fund expenditures per pupil by program category for each building and estimated school
 4.12 district general fund revenue generated by pupils attending each building on its Web
 4.13 site. For purposes of this report:

4.14 (1) expenditures not reported by building shall be allocated among buildings on a
 4.15 uniform per pupil basis;

4.16 (2) basic skills revenue shall be allocated according to section 126C.10, subdivision
 4.17 4;

4.18 (3) secondary sparsity revenue and elementary sparsity revenue shall be allocated
 4.19 according to section 126C.10, subdivisions 7 and 8;

4.20 (4) alternative teacher compensation revenue shall be allocated according to section
 4.21 122A.415, subdivision 1;

4.22 (5) other general education revenue shall be allocated on a uniform per pupil unit
 4.23 basis;

4.24 ~~(5)~~ (6) first grade preparedness aid shall be allocated according to section 124D.081;

4.25 ~~(6)~~ (7) state and federal special education aid and Title I aid shall be allocated in
 4.26 proportion to district expenditures for these programs by building; and

4.27 ~~(7)~~ (8) other general fund revenues shall be allocated on a uniform per pupil basis,
 4.28 except that the department may allocate other revenues attributable to specific buildings
 4.29 directly to those buildings.

4.30 Sec. 6. Minnesota Statutes 2004, section 124D.02, subdivision 2, is amended to read:

4.31 Subd. 2. **Secondary school programs.** The board may permit a person who is over
 4.32 the age of 21 or who has graduated from high school to enroll ~~as a part-time student~~ in a
 4.33 class or program at a secondary school if there is space available. In determining if there is
 4.34 space available, ~~full-time public school students;~~ eligible for free enrollment under section
 4.35 120A.20, subdivision 1, and shared-time students shall be given priority over students
 4.36 seeking enrollment pursuant to this subdivision, and students returning to complete a

5.1 regular course of study shall be given priority over ~~part-time~~ other students seeking
 5.2 enrollment pursuant to this subdivision. The following are not prerequisites for enrollment:

5.3 (1) residency in the school district;

5.4 (2) United States citizenship; or

5.5 (3) for a person over the age of 21, a high school diploma or equivalency certificate.

5.6 A person may enroll in a class or program even if that person attends evening school, an
 5.7 adult or continuing education, or a postsecondary educational program or institution.

5.8 Sec. 7. Minnesota Statutes 2004, section 124D.02, subdivision 4, is amended to read:

5.9 Subd. 4. **Part-time student fee.** Notwithstanding the provisions of sections
 5.10 120A.20 and 123B.37, a board may charge a ~~part-time~~ student enrolled pursuant to
 5.11 subdivision 2 a reasonable fee for a class or program.

5.12 Sec. 8. Minnesota Statutes 2005 Supplement, section 124D.68, subdivision 2, is
 5.13 amended to read:

5.14 Subd. 2. **Eligible pupils.** ~~The following pupils are~~ A pupil under the age of 21 or
 5.15 who meets the requirements of section 120A.20, subdivision 1, paragraph (c), is eligible to
 5.16 participate in the graduation incentives program:

5.17 ~~(a) any pupil under the age of 21 who,~~ if the pupil:

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

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

5.22 (3) is pregnant or is a parent;

5.23 (4) has been assessed as chemically dependent;

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

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

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

5.28 (8) has experienced mental health problems;

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

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

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

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

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

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

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

6.6 Sec. 9. Minnesota Statutes 2004, section 124D.68, subdivision 3, is amended to read:

6.7 Subd. 3. **Eligible programs.** (a) A pupil who is eligible according to subdivision 2
6.8 may enroll in area learning centers under sections 123A.05 to 123A.08.

6.9 (b) A pupil who is eligible according to subdivision 2 and who is between the ages
6.10 of 16 and 21 may enroll in postsecondary courses under section 124D.09.

6.11 (c) A pupil who is eligible under subdivision 2, may enroll in any public elementary
6.12 or secondary education program. ~~However, a person who is eligible according to~~
6.13 ~~subdivision 2, clause (b), may enroll only if the school board has adopted a resolution~~
6.14 ~~approving the enrollment.~~

6.15 (d) A pupil who is eligible under subdivision 2, may enroll in any nonpublic,
6.16 nonsectarian school that has contracted with the serving school district to provide
6.17 educational services.

6.18 (e) A pupil who is between the ages of 16 and 21 may enroll in any adult basic
6.19 education programs approved under section 124D.52 and operated under the community
6.20 education program contained in section 124D.19.

6.21 Sec. 10. Minnesota Statutes 2004, section 126C.05, subdivision 1, is amended to read:

6.22 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the
6.23 age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph
6.24 (c), in average daily membership enrolled in the district of residence, in another district
6.25 under sections 123A.05 to 123A.08, 124D.03, 124D.06, 124D.07, 124D.08, or 124D.68;
6.26 in a charter school under section 124D.10; or for whom the resident district pays tuition
6.27 under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88,
6.28 subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be
6.29 counted according to this subdivision.

6.30 (a) A prekindergarten pupil with a disability who is enrolled in a program approved
6.31 by the commissioner and has an individual education plan is counted as the ratio of the
6.32 number of hours of assessment and education service to 825 times 1.25 with a minimum
6.33 average daily membership of 0.28, but not more than 1.25 pupil units.

6.34 (b) A prekindergarten pupil who is assessed but determined not to be handicapped is
6.35 counted as the ratio of the number of hours of assessment service to 825 times 1.25.

7.1 (c) A kindergarten pupil with a disability who is enrolled in a program approved
7.2 by the commissioner is counted as the ratio of the number of hours of assessment and
7.3 education services required in the fiscal year by the pupil's individual education program
7.4 plan to 875, but not more than one.

7.5 (d) A kindergarten pupil who is not included in paragraph (c) is counted as .557 of a
7.6 pupil unit for fiscal year 2000 and thereafter.

7.7 (e) A pupil who is in any of grades 1 to 3 is counted as 1.115 pupil units for fiscal
7.8 year 2000 and thereafter.

7.9 (f) A pupil who is any of grades 4 to 6 is counted as 1.06 pupil units for fiscal
7.10 year 1995 and thereafter.

7.11 (g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

7.12 (h) A pupil who is in the postsecondary enrollment options program is counted
7.13 as 1.3 pupil units.

7.14 Sec. 11. Minnesota Statutes 2004, section 126C.10, subdivision 6, is amended to read:

7.15 Subd. 6. **Definitions.** The definitions in this subdivision apply only to subdivisions
7.16 7 and 8.

7.17 (a) "High school" means a public secondary school, except a charter school under
7.18 section 124D.10, that has pupils enrolled in at least the 10th, 11th, and 12th grades. If
7.19 there is no secondary high school in the district that has pupils enrolled in at least the
7.20 10th, 11th, and 12th grades, and the school is at least 19 miles from the next nearest
7.21 school, the commissioner must designate one school in the district as a high school for the
7.22 purposes of this section.

7.23 (b) "Secondary average daily membership" means, for a district that has only one
7.24 high school, the average daily membership of pupils served in grades 7 through 12. For a
7.25 district that has more than one high school, "secondary average daily membership" for
7.26 each high school means the product of the average daily membership of pupils served in
7.27 grades 7 through 12 in the high school, times the ratio of six to the number of grades
7.28 in the high school.

7.29 (c) "Attendance area" means the total surface area of the district, in square miles,
7.30 divided by the number of high schools in the district. For a district that does not operate
7.31 a high school and is less than 19 miles from the nearest operating high school, the
7.32 attendance area equals zero.

7.33 (d) "Isolation index" for a high school means the square root of 55 percent of the
7.34 attendance area plus the distance in miles, according to the usually traveled routes,
7.35 between the high school and the nearest high school. For a district in which there is located
7.36 land defined in section 84A.01, 84A.20, or 84A.31, the distance in miles is the sum of:

- 8.1 (1) the square root of one-half of the attendance area; and
 8.2 (2) the distance from the border of the district to the nearest high school.

8.3 (e) "Qualifying high school" means a high school that has an isolation index greater
 8.4 than 23 and that has secondary average daily membership of less than 400.

8.5 (f) "Qualifying elementary school" means ~~an~~ a public elementary school, except a
 8.6 charter school under section 124D.10, that is located 19 miles or more from the nearest
 8.7 elementary school or from the nearest elementary school within the district and, in either
 8.8 case, has an elementary average daily membership of an average of 20 or fewer per grade.

8.9 (g) "Elementary average daily membership" means, for a district that has only
 8.10 one elementary school, the average daily membership of pupils served in kindergarten
 8.11 through grade 6. For a district that has more than one elementary school, "average daily
 8.12 membership" for each school means the average daily membership of pupils served in
 8.13 kindergarten through grade 6 multiplied by the ratio of seven to the number of grades
 8.14 in the elementary school.

8.15 Sec. 12. Minnesota Statutes 2005 Supplement, section 126C.43, subdivision 2, is
 8.16 amended to read:

8.17 Subd. 2. **Payment to unemployment insurance program trust fund by state**
 8.18 **and political subdivisions.** (a) A district may levy the amount necessary ~~(i)~~ (1) to pay
 8.19 the district's obligations under section 268.052, subdivision 1, and ~~(ii)~~ (2) to pay for job
 8.20 placement services offered to employees who may become eligible for benefits pursuant
 8.21 to section 268.085 for the fiscal year the levy is certified.

8.22 (b) Districts with a balance remaining in their reserve for reemployment as of June
 8.23 30, 2003, may not expend the reserved funds for future reemployment expenditures. Each
 8.24 year a levy reduction must be made to return these funds to taxpayers. The amount of
 8.25 the levy reduction must be equal to the lesser of: (1) the remaining reserved balance for
 8.26 reemployment, or (2) the amount of the district's current levy under paragraph (a).

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

8.28 Sec. 13. Minnesota Statutes 2004, section 126C.44, is amended to read:

8.29 **126C.44 SAFE SCHOOLS LEVY.**

8.30 Each district may make a levy on all taxable property located within the district for
 8.31 the purposes specified in this section. The maximum amount which may be levied for all
 8.32 costs under this section shall be equal to \$27 multiplied by the district's adjusted marginal
 8.33 cost pupil units for the school year. The proceeds of the levy must be reserved and used
 8.34 for directly funding the following purposes or for reimbursing the cities and counties who
 8.35 contract with the district for the following purposes: (1) to pay the costs incurred for the

9.1 salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in
 9.2 services in the district's schools; (2) to pay the costs for a drug abuse prevention program
 9.3 as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3)
 9.4 to pay the costs for a gang resistance education training curriculum in the district's schools;
 9.5 (4) to pay the costs for security in the district's schools and on school property; or (5) to
 9.6 pay the costs for other crime prevention, drug abuse, student and staff safety, and violence
 9.7 prevention measures taken by the school district. For expenditures under clause (1), the
 9.8 district must initially attempt to contract for services to be provided by peace officers or
 9.9 sheriffs with the police department of each city or the sheriff's department of the county
 9.10 within the district containing the school receiving the services. If a local police department
 9.11 or a county sheriff's department does not wish to provide the necessary services, the
 9.12 district may contract for these services with any other police or sheriff's department
 9.13 located entirely or partially within the school district's boundaries. ~~The levy authorized~~
 9.14 ~~under this section is not included in determining the school district's levy limitations.~~

9.15 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2006.

9.16 Sec. 14. Minnesota Statutes 2005 Supplement, section 127A.45, subdivision 10,
 9.17 is amended to read:

9.18 Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general
 9.19 fund payments for a district nonoperating fund must be made at the current year aid
 9.20 payment percentage of the estimated entitlement during the fiscal year of the entitlement.
 9.21 This amount shall be paid in 12 equal monthly installments. The amount of the actual
 9.22 entitlement, after adjustment for actual data, minus the payments made during the fiscal
 9.23 year of the entitlement must be paid prior to October 31 of the following school year. The
 9.24 commissioner may make advance payments of debt service equalization aid and state-paid
 9.25 tax credits for a district's debt service fund earlier than would occur under the preceding
 9.26 schedule if the district submits evidence showing a serious cash flow problem in the fund.
 9.27 The commissioner may make earlier payments during the year and, if necessary, increase
 9.28 the percent of the entitlement paid to reduce the cash flow problem.

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

9.30 Sec. 15. **REPEALER.**

9.31 Minnesota Statutes 2004, section 120A.20, subdivision 3, is repealed.

9.32 **ARTICLE 2**

9.33 **NUTRITION AND ACCOUNTING**

9.34 Section 1. Minnesota Statutes 2004, section 123B.10, subdivision 1, is amended to read:

10.1 Subdivision 1. **Budgets.** By ~~October 1~~ November 30, every board must
 10.2 publish revenue and expenditure budgets for the current year and the actual revenues,
 10.3 expenditures, fund balances for the prior year and projected fund balances for the current
 10.4 year in a form prescribed by the commissioner. The forms prescribed must be designed so
 10.5 that year to year comparisons of revenue, expenditures and fund balances can be made.
 10.6 These budgets, reports of revenue, expenditures and fund balances must be published in
 10.7 a qualified newspaper of general circulation in the district or on the district's official
 10.8 Web site. If published on the district's official Web site, the district must also publish an
 10.9 announcement in a qualified newspaper of general circulation in the district that includes
 10.10 the Internet address where the information has been posted.

10.11 ARTICLE 3

10.12 STATE AGENCIES

10.13 Section 1. Minnesota Statutes 2004, section 125A.69, subdivision 3, is amended to
 10.14 read:

10.15 Subd. 3. **Out-of-state admissions.** An applicant from another state who can benefit
 10.16 from attending either academy may be admitted to the academy if the admission does not
 10.17 prevent an eligible Minnesota resident from being admitted. The board of the Minnesota
 10.18 State Academies must obtain reimbursement from the other state for the costs of the
 10.19 out-of-state admission. The state board may enter into an agreement with the appropriate
 10.20 authority in the other state for the reimbursement. Money received from another state
 10.21 must be deposited in the ~~general~~ special revenue fund and credited to the general operating
 10.22 account of the academies. The money is appropriated to the academies.

10.23 **EFFECTIVE DATE.** This section is effective retroactively from fiscal year 2001.

10.24 ARTICLE 4

10.25 EDUCATION FUNDING

10.26 Section 1. Minnesota Statutes 2005 Supplement, section 121A.19, is amended to read:

10.27 **121A.19 DEVELOPMENTAL SCREENING AID.**

10.28 Each school year, the state must pay a district ~~\$50~~ for each ~~three-year-old child~~
 10.29 ~~screened, \$40 for each four-year-old child screened, and \$30 for each five-year-old child~~
 10.30 or student screened by the district ~~prior to kindergarten~~ according to the requirements of
 10.31 section 121A.17. The amount of state aid for each child or student screened shall be: (1)
 10.32 \$50 for a child screened at age three; (2) \$40 for a child screened at age four; (3) \$30
 10.33 for a child screened at age five or six prior to kindergarten; and (4) \$30 for a student
 10.34 screened within 30 days after first enrolling in a public school kindergarten if the student
 10.35 has not previously been screened according to the requirements of section 121A.17. If this
 10.36 amount of aid is insufficient, the district may permanently transfer from the general fund

11.1 an amount that, when added to the aid, is sufficient. Developmental screening aid shall not
11.2 be paid for any student who is screened more than 30 days after the first day of attendance
11.3 at a public school kindergarten, except if a student transfers to another public school
11.4 kindergarten within 30 days after first enrolling in a Minnesota public school kindergarten
11.5 program. In this case, if the student has not been screened, the district to which the student
11.6 transfers may receive developmental screening aid for screening that student when the
11.7 screening is performed within 30 days of the transfer date.

11.8 Sec. 2. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
11.9 amended to read:

11.10 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
11.11 school site, or charter school that meets the conditions of section 122A.414 and submits an
11.12 application approved by the commissioner is eligible for alternative teacher compensation
11.13 revenue.

11.14 (b) For school district and intermediate school district applications, the commissioner
11.15 must consider only those applications to participate that are submitted jointly by a
11.16 district and the exclusive representative of the teachers. The application must contain an
11.17 alternative teacher professional pay system agreement that:

11.18 (1) implements an alternative teacher professional pay system consistent with
11.19 section 122A.414; and

11.20 (2) is negotiated and adopted according to the Public Employment Labor Relations
11.21 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
11.22 district may enter into a contract for a term of two or four years.

11.23 Alternative teacher compensation revenue for a qualifying school district or site in
11.24 which the school board and the exclusive representative of the teachers agree to place
11.25 teachers in the district or at the site on the alternative teacher professional pay system
11.26 equals \$260 times the ratio of the formula allowance for the current fiscal year to the
11.27 formula allowance for fiscal year 2007 times the number of pupils enrolled at the district
11.28 or site on October 1 of the previous fiscal year. Alternative teacher compensation revenue
11.29 for a qualifying intermediate school district must be calculated under section 126C.10,
11.30 subdivision 34, paragraphs (a) and (b).

11.31 (c) For a newly combined or consolidated district, the revenue shall be computed
11.32 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
11.33 into the combination or consolidation. The commissioner may adjust the revenue
11.34 computed for a site using prior year data to reflect changes attributable to school closings,
11.35 school openings, or grade level reconfigurations between the prior year and the current
11.36 year.

12.1 (d) The revenue is available only to school districts, intermediate school districts,
12.2 school sites, and charter schools that fully implement an alternative teacher professional
12.3 pay system by October 1 of the current school year.

12.4 Sec. 3. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
12.5 amended to read:

12.6 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites,
12.7 or charter schools with approved applications must receive alternative compensation
12.8 revenue for each school year that the district, intermediate school district, school site,
12.9 or charter school implements an alternative teacher professional pay system under this
12.10 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
12.11 intermediate school district, school site, or charter school that received alternative teacher
12.12 compensation aid for the previous fiscal year must receive at least an amount of alternative
12.13 teacher compensation revenue equal to the lesser of the amount it received for the previous
12.14 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
12.15 the district, intermediate school district, school site, or charter school submits a timely
12.16 application and the commissioner determines that the district, intermediate school district,
12.17 school site, or charter school continues to implement an alternative teacher professional
12.18 pay system, consistent with its application under this section.

12.19 (b) The commissioner shall approve applications that comply with subdivision 1,
12.20 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
12.21 school, in the order in which they are received, select applicants that qualify for this
12.22 program, notify school districts, intermediate school districts, school sites, and charter
12.23 schools about the program, develop and disseminate application materials, and carry out
12.24 other activities needed to implement this section.

12.25 (c) For applications approved under this section before August 1 of the fiscal year for
12.26 which the aid is paid, the portion of the state total basic alternative teacher compensation
12.27 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year
12.28 2006 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of
12.29 the state total basic alternative teacher compensation aid entitlement allocated to charter
12.30 schools must not exceed the product of \$3,374,000 times the ratio of the state total charter
12.31 school enrollment for the previous fiscal year to the state total charter school enrollment
12.32 for the second previous year fiscal year 2006 times the ratio of the formula allowance for
12.33 the current fiscal year to the formula allowance for fiscal year 2007. Additional basic
12.34 alternative teacher compensation aid may be approved for charter schools after August 1,
12.35 not to exceed the charter school limit for the following fiscal year, if the basic alternative

13.1 teacher compensation aid entitlement for school districts based on applications approved
13.2 by August 1 does not expend the remaining amount under the limit.

13.3 Sec. 4. Minnesota Statutes 2004, section 124D.11, subdivision 9, is amended to read:

13.4 Subd. 9. **Payment of aids to charter schools.** (a) Notwithstanding section 127A.45,
13.5 subdivision 3, aid payments for the current fiscal year to a charter school not in its first
13.6 year of operation shall be of an equal amount on each of the 23 payment dates. A charter
13.7 school in its first year of operation shall receive, on its first payment date, ten percent of its
13.8 cumulative amount guaranteed for the year and 22 payments of an equal amount thereafter
13.9 the sum of which shall be ~~90 percent of~~ equal the current year aid payment percentage
13.10 multiplied by the cumulative amount guaranteed.

13.11 (b) Notwithstanding paragraph (a), for a charter school ceasing operation prior to the
13.12 end of a school year, ~~80 percent of~~ the current year aid payment percentage multiplied by
13.13 the amount due for the school year may be paid to the school after audit of prior fiscal year
13.14 and current fiscal year pupil counts. For a charter school ceasing operations prior to, or
13.15 at the end of a school year, notwithstanding section 127A.45, subdivision 3, preliminary
13.16 final payments may be made after audit of pupil counts, monitoring of special education
13.17 expenditures, and documentation of lease expenditures for the final year of operation.
13.18 Final payment may be made upon receipt of audited financial statements under section
13.19 123B.77, subdivision 3.

13.20 (c) Notwithstanding section 127A.45, subdivision 3, and paragraph (a), 80 percent
13.21 of the start-up cost aid under subdivision 8 shall be paid within 45 days after the first day
13.22 of student attendance for that school year.

13.23 (d) In order to receive state aid payments under this subdivision, a charter school in
13.24 its first three years of operation must submit a school calendar in the form and manner
13.25 requested by the department and a quarterly report to the Department of Education. The
13.26 report must list each student by grade, show the student's start and end dates, if any,
13.27 with the charter school, and for any student participating in a learning year program,
13.28 the report must list the hours and times of learning year activities. The report must be
13.29 submitted not more than two weeks after the end of the calendar quarter to the department.
13.30 The department must develop a Web-based reporting form for charter schools to use
13.31 when submitting enrollment reports. A charter school in its fourth and subsequent year of
13.32 operation must submit a school calendar and enrollment information to the department in
13.33 the form and manner requested by the department.

13.34 (e) Notwithstanding sections 317A.701 to 317A.791, upon closure of a charter
13.35 school and satisfaction of creditors, cash and investment balances remaining shall be
13.36 returned to the state.

14.1 Sec. 5. Minnesota Statutes 2005 Supplement, section 125A.11, subdivision 1, is
14.2 amended to read:

14.3 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2006,
14.4 when a school district provides instruction and services outside the district of residence,
14.5 board and lodging, and any tuition to be paid, shall be paid by the district of residence. The
14.6 tuition rate to be charged for any child with a disability, excluding a pupil for whom tuition
14.7 is calculated according to section 127A.47, subdivision 7, paragraph (d), must be the sum
14.8 of (1) the actual cost of providing special instruction and services to the child including
14.9 a proportionate amount for special transportation and unreimbursed building lease and
14.10 debt service costs for facilities used primarily for special education, plus (2) the amount
14.11 of general education revenue and referendum aid attributable to the pupil, minus (3) the
14.12 amount of special education aid for children with a disability received on behalf of that
14.13 child, minus (4) if the pupil receives special instruction and services outside the regular
14.14 classroom for more than 60 percent of the school day, the amount of general education
14.15 revenue and referendum aid, excluding portions attributable to district and school
14.16 administration, district support services, operations and maintenance, capital expenditures,
14.17 and pupil transportation, attributable to that pupil for the portion of time the pupil receives
14.18 special instruction in and services outside of the regular classroom. If the boards involved
14.19 do not agree upon the tuition rate, either board may apply to the commissioner to fix the
14.20 rate. Notwithstanding chapter 14, the commissioner must then set a date for a hearing or
14.21 request a written statement from each board, giving each board at least ten days' notice,
14.22 and after the hearing or review of the written statements the commissioner must make an
14.23 order fixing the tuition rate, which is binding on both school districts. General education
14.24 revenue and referendum aid attributable to a pupil must be calculated using the resident
14.25 district's average general education and referendum revenue per adjusted pupil unit.

14.26 (b) For fiscal year 2007 and later, when a school district provides special instruction
14.27 and services for a pupil with a disability as defined in section 125A.02 outside the district
14.28 of residence, excluding a pupil for whom an adjustment to special education aid is
14.29 calculated according to section 127A.47, subdivision 7, paragraph (e), special education
14.30 aid paid to the resident district must be reduced by an amount equal to (1) the actual
14.31 cost of providing special instruction and services to the pupil, including a proportionate
14.32 amount for special transportation and unreimbursed building lease and debt service costs
14.33 for facilities used primarily for special education, plus (2) the amount of general education
14.34 revenue and referendum aid attributable to that pupil, minus (3) the amount of special
14.35 education aid for children with a disability received on behalf of that child, minus (4) if the
14.36 pupil receives special instruction and services outside the regular classroom for more than

15.1 60 percent of the school day, the amount of general education revenue and referendum
15.2 aid, excluding portions attributable to district and school administration, district support
15.3 services, operations and maintenance, capital expenditures, and pupil transportation,
15.4 attributable to that pupil for the portion of time the pupil receives special instruction in
15.5 and services outside of the regular classroom. General education revenue and referendum
15.6 aid attributable to a pupil must be calculated using the resident district's average general
15.7 education revenue and referendum aid per adjusted pupil unit. Special education aid
15.8 paid to the district or cooperative providing special instruction and services for the pupil
15.9 must be increased by the amount of the reduction in the aid paid to the resident district.
15.10 Amounts paid to cooperatives under this subdivision and section 127A.47, subdivision
15.11 7, shall be recognized and reported as revenues and expenditures on the resident school
15.12 district's books of account under sections 123B.75 and 123B.76. If the resident district's
15.13 special education aid is insufficient to make the full adjustment, the remaining adjustment
15.14 shall be made to other state aid due to the district.

15.15 (c) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
15.16 paragraphs (d) and (e), a charter school where more than 30 percent of enrolled students
15.17 receive special education and related services, an intermediate district, or a special
15.18 education cooperative may apply to the commissioner for authority to charge the resident
15.19 district an additional amount to recover any remaining unreimbursed costs of serving
15.20 pupils with a disability. The application must include a description of the costs and the
15.21 calculations used to determine the unreimbursed portion to be charged to the resident
15.22 district. Amounts approved by the commissioner under this paragraph must be included
15.23 in the tuition billings or aid adjustments under paragraph (a) or (b), or section 127A.47,
15.24 subdivision 7, paragraph (d) or (e), as applicable.

15.25 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraphs
15.26 (d) and (e), "general education revenue and referendum aid" means the sum of the general
15.27 education revenue according to section 126C.10, subdivision 1, excluding alternative
15.28 teacher compensation revenue, plus the referendum aid according to section 126C.17,
15.29 subdivision 7, as adjusted according to section 127A.47, subdivision 7, paragraphs (a),
15.30 (b), and (c).

15.31 **EFFECTIVE DATE.** This section is effective for fiscal year 2006.

15.32 Sec. 6. Minnesota Statutes 2004, section 125A.27, subdivision 3, is amended to read:

15.33 Subd. 3. **Core early intervention services.** "Core early intervention services"
15.34 means services that are available at no cost to children and families. These services
15.35 include:

- 16.1 (1) identification and referral;
- 16.2 (2) screening;
- 16.3 (3) evaluation;
- 16.4 (4) assessment;
- 16.5 (5) service coordination;
- 16.6 (6) special education and related services ~~provided under section 125A.08, and~~
- 16.7 ~~United States Code, title 20, section 1401~~ for children who qualify for these services
- 16.8 under Minnesota Rules; and
- 16.9 (7) protection of parent and child rights by means of procedural safeguards.

16.10 Sec. 7. Minnesota Statutes 2004, section 125A.27, subdivision 7, is amended to read:

16.11 Subd. 7. **Early intervention system.** "Early intervention system" means the total

16.12 effort in the state to meet the needs of eligible children and their families, ~~including;~~

16.13 ~~but not limited to:~~

16.14 ~~(1) any public agency in the state that receives funds under the Individuals with~~

16.15 ~~Disabilities Education Act, United States Code, title 20, sections 1471 to 1485 (Part~~

16.16 ~~C, Public Law 102-119);~~

16.17 ~~(2) other state and local agencies administering programs involved in the provision~~

16.18 ~~of early intervention services, including, but not limited to:~~

16.19 ~~(i) the Maternal and Child Health program under title V of the Social Security Act;~~

16.20 ~~United States Code, title 42, sections 701 to 709;~~

16.21 ~~(ii) the Individuals with Disabilities Education Act, United States Code, title 20;~~

16.22 ~~sections 1411 to 1420 (Part B);~~

16.23 ~~(iii) medical assistance under the Social Security Act, United States Code, title~~

16.24 ~~42, section 1396 et seq.;~~

16.25 ~~(iv) the Developmental Disabilities Assistance and Bill of Rights Act, United States~~

16.26 ~~Code, title 42, sections 6021 to 6030 (Part B); and~~

16.27 ~~(v) the Head Start Act, United States Code, title 42, sections 9831 to 9852; and~~

16.28 ~~(3) services provided by private groups or third-party payers in conformity with an~~

16.29 ~~individualized family service plan.~~

16.30 Sec. 8. Minnesota Statutes 2004, section 125A.27, subdivision 8, is amended to read:

16.31 Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for early

16.32 childhood special education under section 125A.02 and Minnesota Rules, ~~part 3525.2335,~~

16.33 ~~subpart 1, items A and B.~~

16.34 Sec. 9. Minnesota Statutes 2004, section 125A.27, subdivision 15, is amended to read:

17.1 Subd. 15. **Part C state plan.** "Part C state plan" means the annual state plan
 17.2 application approved by the federal government ~~under the Individuals with Disabilities~~
 17.3 ~~Education Act, United States Code, title 20, section 1471 et seq. (Part C, Public Law~~
 17.4 ~~105-117).~~

17.5 Sec. 10. Minnesota Statutes 2004, section 125A.27, subdivision 18, is amended to read:

17.6 Subd. 18. **State lead agency.** "State lead agency" means the state agency receiving
 17.7 federal funds ~~under the Individuals with Disabilities Education Act, United States Code,~~
 17.8 ~~title 20, section 1471 et seq. (Part H, Public Law 102-119)~~ for the purposes of providing
 17.9 early intervention services.

17.10 Sec. 11. Minnesota Statutes 2005 Supplement, section 125A.79, subdivision 1, is
 17.11 amended to read:

17.12 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
 17.13 subdivision apply.

17.14 (a) "Unreimbursed special education cost" means the sum of the following:

17.15 (1) expenditures for teachers' salaries, contracted services, supplies, equipment, and
 17.16 transportation services eligible for revenue under section 125A.76; plus

17.17 (2) expenditures for tuition bills received under sections 125A.03 to 125A.24 and
 17.18 125A.65 for services eligible for revenue under section 125A.76, subdivision 2; minus

17.19 (3) revenue for teachers' salaries, contracted services, supplies, and equipment under
 17.20 section 125A.76; minus

17.21 (4) tuition receipts under sections 125A.03 to 125A.24 and 125A.65 for services
 17.22 eligible for revenue under section 125A.76, subdivision 2.

17.23 (b) "General revenue" means the sum of the general education revenue according to
 17.24 section 126C.10, subdivision 1, ~~as adjusted according to section 127A.47, subdivisions~~
 17.25 ~~7 and 8~~ excluding alternative teacher compensation revenue, plus the total qualifying
 17.26 referendum revenue specified in paragraph (e) minus transportation sparsity revenue
 17.27 minus total operating capital revenue.

17.28 (c) "Average daily membership" has the meaning given it in section 126C.05.

17.29 (d) "Program growth factor" means 1.02 for fiscal year 2003, and 1.0 for fiscal
 17.30 year 2004 and later.

17.31 (e) "Total qualifying referendum revenue" means two-thirds of the district's total
 17.32 referendum revenue as adjusted according to section 127A.47, subdivision 7, paragraphs
 17.33 (a), (b), and (c), for fiscal year 2006, one-third of the district's total referendum revenue
 17.34 for fiscal year 2007, and none of the district's total referendum revenue for fiscal year
 17.35 2008 and later.

18.1 **EFFECTIVE DATE. This section is effective for revenue for fiscal year 2006.**

18.2 Sec. 12. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 31,
18.3 is amended to read:

18.4 Subd. 31. **Transition revenue.** (a) A district's transition allowance equals the
18.5 greater of zero or the product of the ratio of the number of adjusted marginal cost pupil
18.6 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002
18.7 to the district's adjusted marginal cost pupil units for fiscal year 2004, times the difference
18.8 between: (1) the lesser of the district's general education revenue per adjusted marginal
18.9 cost pupil unit for fiscal year 2003 or the amount of general education revenue the district
18.10 would have received per adjusted marginal cost pupil unit for fiscal year 2004 according
18.11 to Minnesota Statutes 2002, and (2) the district's general education revenue for fiscal year
18.12 2004 excluding transition revenue divided by the number of adjusted marginal cost pupil
18.13 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002.

18.14 (b) A district's transition revenue for fiscal year 2006 and later equals the sum of (1)
18.15 the product of the district's transition allowance times the district's adjusted marginal cost
18.16 pupil units plus (2) the amount of referendum revenue under section 126C.17 and general
18.17 education revenue, excluding transition revenue, for fiscal year 2004 attributable to pupils
18.18 four or five years of age on September 1, 2003, enrolled in a prekindergarten program
18.19 implemented by the district before July 1, 2003, and reported as kindergarten pupils under
18.20 section 126C.05, subdivision 1, for fiscal year 2004, plus (3) the amount of compensatory
18.21 education revenue under subdivision 3 for fiscal year 2005 attributable to pupils four years
18.22 of age on September 1, 2003, enrolled in a prekindergarten program implemented by the
18.23 district before July 1, 2003, and reported as kindergarten pupils under section 126C.05,
18.24 subdivision 1, for fiscal year 2004 ~~multiplied by .04.~~

18.25 **EFFECTIVE DATE. This section is effective for revenue for fiscal year 2006.**

18.26 Sec. 13. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 34,
18.27 is amended to read:

18.28 Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal year 2006,
18.29 the basic alternative teacher compensation aid for a school district or an intermediate
18.30 school district with a plan approved under section 122A.414, subdivision 2b, equals the
18.31 alternative teacher compensation revenue under section 122A.415, subdivision 1. The
18.32 basic alternative teacher compensation aid for a charter school with an approved plan
18.33 under section 122A.414, subdivision 2b, equals \$260 times the number of pupils enrolled
18.34 in the school on October 1 of the previous school year, or on October 1 of the current
18.35 fiscal year for a charter school in the first year of operation.

19.1 (b) For fiscal year 2007 ~~and later~~, the basic alternative teacher compensation aid
 19.2 for a school district with a plan approved under section 122A.414, subdivision 2b, equals
 19.3 73.1 percent of the alternative teacher compensation revenue under section 122A.415,
 19.4 subdivision 1. The basic alternative teacher compensation aid for an intermediate school
 19.5 district or charter school with a plan approved under section 122A.414, subdivisions 2a
 19.6 and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled
 19.7 in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal
 19.8 year for a charter school in the first year of operation, times the ratio of the sum of the
 19.9 alternative teacher compensation aid and alternative teacher compensation levy for all
 19.10 participating school districts to the maximum alternative teacher compensation revenue
 19.11 for those districts under section 122A.415, subdivision 1.

19.12 (c) For fiscal year 2008 and later, the basic alternative teacher compensation aid for
 19.13 a school district with a plan approved under section 122A.414, subdivision 2b, equals the
 19.14 alternative teacher compensation revenue under section 122A.415, subdivision 1, minus
 19.15 \$69.94 times the number of pupils enrolled at participating sites on October 1 of the
 19.16 previous fiscal year. The basic alternative teacher compensation aid for an intermediate
 19.17 school district or charter school with a plan approved under section 122A.414, subdivisions
 19.18 2a and 2b, if the recipient is a charter school, equals \$260 times the ratio of the formula
 19.19 allowance for the current fiscal year to the formula allowance for fiscal year 2007 times
 19.20 the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on
 19.21 October 1 of the current fiscal year for a charter school in the first year of operation, times
 19.22 the ratio of the sum of the alternative teacher compensation aid and alternative teacher
 19.23 compensation levy for all participating school districts to the maximum alternative teacher
 19.24 compensation revenue for those districts under section 122A.415, subdivision 1.

19.25 (d) Notwithstanding paragraphs (a) ~~and~~, (b), and (c) and section 122A.415,
 19.26 subdivision 1, the state total basic alternative teacher compensation aid entitlement must
 19.27 not exceed \$19,329,000 for fiscal year 2006 ~~and~~, \$75,636,000 for fiscal year 2007, and
 19.28 , for fiscal year 2008 and later, \$75,636,000 times the ratio of the formula allowance
 19.29 for the current fiscal year to the formula allowance for fiscal year 2007 ~~and later~~. The
 19.30 commissioner must limit the amount of alternative teacher compensation aid approved
 19.31 under ~~section~~ sections 122A.415 and 122A.416 so as not to exceed these limits.

19.32 Sec. 14. Minnesota Statutes 2004, section 127A.41, subdivision 2, is amended to read:

19.33 Subd. 2. **Errors in distribution.** On determining that the amount of state aid
 19.34 distributed to a school district is in error, the commissioner is authorized to adjust the
 19.35 amount of aid consistent with this subdivision. On determining that the amount of aid is
 19.36 in excess of the school district's entitlement, the commissioner is authorized to recover

20.1 the amount of the excess by any appropriate means. Notwithstanding the fiscal years
20.2 designated by the appropriation, the excess may be recovered by reducing future aid
20.3 payments to the district. Notwithstanding any law to the contrary, if the aid reduced is not
20.4 of the same type as that overpaid, the district must adjust all necessary financial accounts
20.5 to properly reflect all revenues earned in accordance with the uniform financial accounting
20.6 and reporting standards pursuant to sections 123B.75 to 123B.83. Notwithstanding the
20.7 fiscal years designated by the appropriation, on determining that the amount of an aid paid
20.8 is less than the school district's entitlement, the commissioner is authorized to increase
20.9 such aid from the current appropriation. If the aid program has been discontinued and has
20.10 no appropriation, the appropriation for general education shall be used for recovery or
20.11 payment of the aid decrease or increase. Any excess of aid recovery over aid payment
20.12 shall be cancelled to the state general fund.

20.13 Sec. 15. Laws 2005, First Special Session chapter 5, article 1, section 47, is amended
20.14 to read:

20.15 Sec. 47. **ALTERNATIVE TEACHER COMPENSATION REVENUE**
20.16 **GUARANTEE.**

20.17 Notwithstanding Minnesota Statutes, sections 122A.415, subdivision 1, and
20.18 126C.10, subdivision 34, paragraphs (a) and (b), a school district that received alternative
20.19 teacher compensation aid for fiscal year 2005, but does not qualify for alternative
20.20 teacher compensation revenue for all sites in the district for fiscal year 2006 or, 2007,
20.21 2008, or 2009, shall receive additional basic alternative teacher compensation aid for
20.22 that fiscal year equal to the lesser of the amount of alternative teacher compensation
20.23 aid it received for fiscal year 2005 or the amount it would have received for that fiscal
20.24 year under Minnesota Statutes 2004, section 122A.415, subdivision 1, for teachers at
20.25 sites not qualifying for alternative teacher compensation revenue for that fiscal year, if
20.26 the district submits a timely application and the commissioner determines that the district
20.27 continues to implement an alternative teacher compensation system, consistent with its
20.28 application under Minnesota Statutes 2004, section 122A.415, for fiscal year 2005. The
20.29 additional basic alternative teacher compensation aid under this section must not be used
20.30 in calculating the alternative teacher compensation levy under Minnesota Statutes, section
20.31 126C.10, subdivision 35. This section applies only to fiscal years 2006 ~~and 2007~~ through
20.32 2009 and does not apply to later fiscal years.

20.33 Sec. 16. **WASECA LEVY; APPROPRIATION.**

20.34 Independent School District No. 829, Waseca, may levy up to \$343,550 beginning
20.35 in 2006 over five years for health and safety revenue lost due to miscalculation. \$316,000
20.36 is appropriated to the commissioner of education for payment of the aid portion of lost

21.1 revenue. If the district does not levy the full amount authorized within the five year period,
 21.2 other state aid due to the district shall be reduced proportionately.

21.3 **Sec. 17. APPROPRIATIONS.**

21.4 **Subdivision 1. Department of Education.** The sums indicated in this section are
 21.5 appropriated from the general fund to the Department of Education for the fiscal years
 21.6 designated.

21.7 **Subd. 2. Early childhood Part C.** For the expansion of early childhood Part C
 21.8 services:

21.9 \$ 1,049,000 2007

21.10 **Subd. 3. Early childhood screening.** For aid to districts screening kindergarten
 21.11 children:

21.12 \$ 89,000 2006

21.13 \$ 54,000 2007

21.14 This appropriation is to provide aid to school districts for children screened after
 21.15 entering kindergarten under Minnesota Statutes, section 121A.17, subdivision 2.

21.16 **Subd. 4. Prekindergarten program transition revenue.** For transition revenue for
 21.17 modifications to prekindergarten programs:

21.18 \$ \$968,000 2006

21.19 \$ 851,000 2007

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

21.21 Amend the title accordingly

1.1 Senator moves to amend S.F. No. 2994 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 " **ARTICLE 1**

1.4 **EDUCATION EXCELLENCE**

1.5 Section 1. Minnesota Statutes 2004, section 120A.22, subdivision 3, is amended to
1.6 read:

1.7 **Subd. 3. Parent defined; residency determined.** (a) In this section and sections
1.8 120A.24 and 120A.26, "parent" means a parent, guardian, or other person having legal
1.9 custody of a child.

1.10 (b) In sections 125A.03 to 125A.24 and 125A.65, "parent" means a parent, guardian,
1.11 or other person having legal custody of a child under age 18. For an unmarried pupil age
1.12 18 or over, "parent" means the pupil unless a guardian or conservator has been appointed,
1.13 in which case it means the guardian or conservator.

1.14 (c) For purposes of sections 125A.03 to 125A.24 and 125A.65, the school district of
1.15 residence for an unmarried pupil age 18 or over who is a parent under paragraph (b) and
1.16 who is placed in a center for care and treatment, shall be the school district in which the
1.17 pupil's biological or adoptive parent or designated guardian resides.

1.18 (d) For a married pupil age 18 or over, the school district of residence is the school
1.19 district in which the married pupil resides.

1.20 (e) If a district believes that a student does not meet the residency requirements of
1.21 the school district in which the student is attending school, the student may be removed
1.22 from the school only after receiving due process as determined by the district school
1.23 board. The due process requirements must, at a minimum, include notice to the parent
1.24 and an opportunity for the parent to be heard in a forum as determined by the policy
1.25 of the school board.

1.26 **Sec. 2.** Minnesota Statutes 2005 Supplement, section 120B.131, subdivision 2, is
1.27 amended to read:

1.28 **Subd. 2. Reimbursement for examination fees.** The state may reimburse
1.29 college-level examination program (CLEP) fees for a Minnesota public high school
1.30 student who has successfully completed one or more college-level courses in high school
1.31 ~~and earned a satisfactory score on one or more CLEP examinations~~ in the following
1.32 subjects: composition and literature, mathematics and science, social sciences and history,
1.33 foreign languages, and business and humanities. The state may reimburse each ~~successful~~
1.34 student for up to six examination fees. The commissioner shall establish application
1.35 procedures and a process and schedule for fee reimbursements. The commissioner must
1.36 give priority to reimburse the CLEP examination fees of students of low-income families.

2.1 Sec. 3. Minnesota Statutes 2005 Supplement, section 121A.53, subdivision 1, is
2.2 amended to read:

2.3 Subdivision 1. **Exclusions and expulsions.** The school board must report through
2.4 the department electronic reporting system each exclusion ~~or~~ expulsion, or other removal
2.5 for greater than 15 consecutive days taken in lieu of an exclusion or expulsion within 30
2.6 days of the effective date of the action to the commissioner of education. This report must
2.7 include a statement of alternative educational services given the pupil and the reason for,
2.8 the effective date, and the duration of the exclusion or expulsion. The report must also
2.9 include the student's age, grade, gender, race, and special education status.

2.10 Sec. 4. Minnesota Statutes 2005 Supplement, section 124D.095, subdivision 4, is
2.11 amended to read:

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

2.25 (b) An online learning student may:

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

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

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

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

2.35 ~~(d)~~ (c) An online learning student has the same access to the computer hardware
2.36 and education software available in a school as all other students in the enrolling district.

3.1 An online learning provider must assist an online learning student whose family qualifies
 3.2 for the education tax credit under section 290.0674 to acquire computer hardware and
 3.3 educational software for online learning purposes.

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

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

3.21 Sec. 5. Minnesota Statutes 2004, section 124D.10, subdivision 16, is amended to read:

3.22 Subd. 16. **Transportation.** (a) By July 1 of each fiscal year, a charter school must
 3.23 notify the district in which the school is located and the Department of Education if it will
 3.24 provide ~~transportation for pupils enrolled in the school~~ its own transportation or use the
 3.25 transportation services of the district in which it is located for the fiscal year.

3.26 (b) If a charter school elects to provide transportation for pupils, the transportation
 3.27 must be provided by the charter school within the district in which the charter school is
 3.28 located. The state must pay transportation aid to the charter school according to section
 3.29 124D.11, subdivision 2.

3.30 For pupils who reside outside the district in which the charter school is located, the
 3.31 charter school is not required to provide or pay for transportation between the pupil's
 3.32 residence and the border of the district in which the charter school is located. A parent
 3.33 may be reimbursed by the charter school for costs of transportation from the pupil's
 3.34 residence to the border of the district in which the charter school is located if the pupil is
 3.35 from a family whose income is at or below the poverty level, as determined by the federal
 3.36 government. The reimbursement may not exceed the pupil's actual cost of transportation

4.1 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
4.2 more than 250 miles per week.

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

4.5 (c) If a charter school does not elect to provide transportation, transportation for
4.6 pupils enrolled at the school must be provided by the district in which the school is
4.7 located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
4.8 pupil residing in the same district in which the charter school is located. Transportation
4.9 may be provided by the district in which the school is located, according to sections
4.10 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different
4.11 district. If the district provides the transportation, the scheduling of routes, manner and
4.12 method of transportation, control and discipline of the pupils, and any other matter relating
4.13 to the transportation of pupils under this paragraph shall be within the sole discretion,
4.14 control, and management of the district.

4.15 Sec. 6. Minnesota Statutes 2004, section 124D.61, is amended to read:

4.16 **124D.61 GENERAL REQUIREMENTS FOR PROGRAMS.**

4.17 A district ~~which receives aid pursuant to section 124D.65 must comply with that~~
4.18 enrolls one or more children of limited English proficiency must implement an educational
4.19 program that includes at a minimum the following program requirements:

4.20 (1) identification and reclassification criteria for children of limited English
4.21 proficiency and program entrance and exit criteria for children with limited English
4.22 proficiency must be documented by the district, applied uniformly to children of limited
4.23 English proficiency, and made available to parents and other stakeholders upon request;

4.24 (2) a written plan of services that describes programming by English proficiency
4.25 level made available to parents upon request. The plan must articulate the amount and
4.26 scope of service offered to children of limited English proficiency through an educational
4.27 program for children of limited English proficiency;

4.28 (3) professional development opportunities for ESL, bilingual education,
4.29 mainstream, and all staff working with children of limited English proficiency which are:
4.30 (i) coordinated with the district's professional development activities; (ii) related to the
4.31 needs of children of limited English proficiency; and (iii) ongoing;

4.32 (4) to the extent possible, the district must avoid isolating children of limited English
4.33 proficiency for a substantial part of the school day; and

4.34 ~~(2) (5)~~ in predominantly nonverbal subjects, such as art, music, and physical
4.35 education, permit pupils of limited English proficiency shall be permitted to participate
4.36 fully and on an equal basis with their contemporaries in public school classes provided

5.1 for these subjects. To the extent possible, the district must assure to pupils enrolled in a
 5.2 program for limited English proficient students an equal and meaningful opportunity to
 5.3 participate fully with other pupils in all extracurricular activities.

5.4 Sec. 7. Laws 2005, First Special Session chapter 5, article 2, section 81, is amended to
 5.5 read:

5.6 **Sec. 81. BOARD OF SCHOOL ADMINISTRATORS; RULEMAKING**
 5.7 **AUTHORITY.**

5.8 On or before June 30, 2007, the Board of School Administrators may adopt
 5.9 ~~expedited rules under Minnesota Statutes, section 14.389,~~ to reflect the changes in duties,
 5.10 responsibilities, and roles of school administrators, and to make technical revisions and
 5.11 clarifications to Minnesota Rules, chapter 3512.

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

5.13 Sec. 8. Laws 2005, First Special Session chapter 5, article 2, section 84, subdivision
 5.14 13, is amended to read:

5.15 **Subd. 13. Examination fees; teacher training and support programs.** (a) For
 5.16 students' advanced placement and international baccalaureate examination fees under
 5.17 Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs
 5.18 for teachers and other interested educators under Minnesota Statutes, section 120B.13,
 5.19 subdivision 1:

5.20	\$	4,500,000	2006
5.21	\$	4,500,000	2007

5.22
 5.23 (b) The advanced placement program shall receive 75 percent of the appropriation
 5.24 each year and the international baccalaureate program shall receive 25 percent of the
 5.25 appropriation each year. The department, in consultation with representatives of the
 5.26 advanced placement and international baccalaureate programs selected by the Advanced
 5.27 Placement Advisory Council and IBMN, respectively, shall determine the amounts of
 5.28 the expenditures each year for examination fees and training and support programs for
 5.29 each program.

5.30
 5.31 (c) ~~Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least~~
 5.32 ~~\$500,000 each year is for teachers to attend subject matter summer training programs~~
 5.33 ~~and follow-up support workshops approved by the advanced placement or international~~
 5.34 ~~baccalaureate programs. The amount of the subsidy for each teacher attending an~~
 5.35 ~~advanced placement or international baccalaureate summer training program or workshop~~

6.1 ~~shall be the same. The commissioner shall determine the payment process and the amount~~
6.2 ~~of the subsidy. Teachers shall apply for teacher training scholarships to prepare for~~
6.3 ~~teaching in the advanced placement or international baccalaureate program. Any reserved~~
6.4 ~~funding not expended for teacher training may be used for exam fees and other support~~
6.5 ~~programs for each program.~~

6.6
6.7 (d) The commissioner shall pay all examination fees for all students of low-income
6.8 families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent
6.9 of available appropriations shall also pay examination fees for students sitting for an
6.10 advanced placement examination, international baccalaureate examination, or both.

6.11 Any balance in the first year does not cancel but is available in the second year.

6.12

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

6.14 **Sec. 9. SCIENCE TEACHERS.**

6.15 (a) A tenured science teacher or science teacher who has taught for three consecutive
6.16 years in one public school holding a Minnesota professional license in grades 7 to 12 or
6.17 9 to 12 who receives a qualifying score on the appropriate Praxis II test in a grade 9 to
6.18 12 science field other than the currently licensed science field must be licensed to teach
6.19 in the new subject area. The qualifying scores are the same scores used for new science
6.20 teachers established by the Minnesota Board of Teaching. The science teacher who seeks
6.21 licensure in another science subject area under this paragraph is responsible for the costs
6.22 of the required testing.

6.23 (b) For the purposes of paragraph (a), science subject areas include chemistry,
6.24 physics, biology, and earth and space science.

6.25 (c) By December 31, 2010, the Department of Education and Board of Teaching
6.26 must submit a report, including at least the effects of this section on science teacher quality
6.27 and developing highly qualified teachers, to the committees of the house of representatives
6.28 and senate having jurisdiction over kindergarten through grade 12 education.

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

6.30 **Sec. 10. 2006 SCHOOL ACCOUNTABILITY REPORT.**

6.31 Notwithstanding Minnesota Statutes, section 120B.36, for 2006 reporting only, the
6.32 Department of Education may delay the release to the public and the posting of the 2006
6.33 school performance report cards and adequate yearly progress data on its public Web
6.34 site to no later than November 30, 2006.

6.35

ARTICLE 2

EDUCATION FUNDING**Section 1. [120B.132] RAISED ACADEMIC ACHIEVEMENT; ADVANCED PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.**

Subdivision 1. Establishment; eligibility. A program is established to raise K-12 academic achievement through increased student participation in advanced placement and international baccalaureate programs, consistent with section 120B.13. Schools and charter schools eligible to participate under this section must:

(1) be authorized by the international baccalaureate organization to teach the international baccalaureate curriculum; or

(2) be a site approved by the college board to offer advanced placement courses and exams or must participate in the college board-sponsored preadvanced placement initiative; and

(3) propose to further raise students' academic achievement by:

(i) increasing the availability of and all students' access to advanced placement or international baccalaureate courses or programs;

(ii) expanding the breadth of advanced placement or international baccalaureate courses or programs that are available to students;

(iii) increasing the number and the diversity of the students who participate in advanced placement or international baccalaureate courses or programs and succeed;

(iv) providing low-income and other disadvantaged students with increased access to advanced placement or international baccalaureate courses or programs; or

(v) increasing the number of high school students, including low-income and other disadvantaged students, who receive college credit by successfully completing advanced placement or international baccalaureate courses or programs and achieving satisfactory scores on related exams.

Subd. 2. Application and review process; funding priority. (a) Charter schools and school districts in which eligible schools under subdivision 1 are located may apply to the commissioner, in the form and manner the commissioner determines, for competitive funding to further raise students' academic achievement. The application must detail the specific efforts the applicant intends to undertake in further raising students' academic achievement consistent with subdivision 1, and a proposed budget detailing the district or charter school's current and proposed expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs. The proposed budget must demonstrate that the applicant's efforts will supplement but not supplant any expenditures for advanced placement, preadvanced placement, and international baccalaureate courses and programs the applicant currently makes available to students.

8.1 Expenditures for administration must not exceed five percent of the proposed budget. The
8.2 commissioner may require an applicant to provide additional information.

8.3 (b) When reviewing applications, the commissioner must determine whether
8.4 the applicant satisfied all the requirements in this subdivision and subdivision 1.

8.5 The commissioner may give funding priority to an otherwise qualified applicant that
8.6 demonstrates:

8.7 (1) a focus on developing or expanding advanced placement or international
8.8 baccalaureate courses or programs or increasing students' participation in, access to, or
8.9 success with the courses or programs, including the participation, access, or success of
8.10 low-income and other disadvantaged students;

8.11 (2) a compelling need for access to advanced placement or international
8.12 baccalaureate courses or programs;

8.13 (3) an effective ability to actively involve local business and community
8.14 organizations in student activities that are integral to advanced placement or international
8.15 baccalaureate courses or programs;

8.16 (4) access to additional public or nonpublic funds or in-kind contributions that are
8.17 available for advanced placement or international baccalaureate courses or programs; or

8.18 (5) an intent to implement activities that target low-income and other disadvantaged
8.19 students.

8.20 Subd. 3. Funding; permissible funding uses. (a) The commissioner shall award
8.21 grants to applicant school districts and charter schools that meet the requirements of
8.22 subdivisions 1 and 2. The commissioner must award grants on an equitable geographical
8.23 basis to the extent feasible and consistent with this section. Grant awards must not exceed
8.24 the lesser of: (1) \$85 times the number of pupils enrolled at the participating sites on
8.25 October 1 of the previous fiscal year, or (2) the approved supplemental expenditures
8.26 based on the budget submitted under subdivision 2. For charter schools in their first
8.27 year of operation, the maximum grant award must be calculated using the number of
8.28 pupils enrolled on October 1 of the current fiscal year. The commissioner may adjust
8.29 the maximum grant award computed using prior year data for changes in enrollment
8.30 attributable to school closings, school openings, grade level reconfigurations, or school
8.31 district reorganizations between the prior fiscal year and the current fiscal year.

8.32 (b) School districts and charter schools that submit an application and receive
8.33 funding under this section must use the funding, consistent with the application, to:

8.34 (1) provide teacher training and instruction to more effectively serve students,
8.35 including low-income and other disadvantaged students, who participate in advanced
8.36 placement or international baccalaureate courses or programs;

9.1 (2) further develop advanced placement or international baccalaureate courses or
9.2 programs;

9.3 (3) improve the transition between grade levels to better prepare students, including
9.4 low-income and other disadvantaged students, for succeeding in advanced placement or
9.5 international baccalaureate courses or programs;

9.6 (4) purchase books and supplies;

9.7 (5) pay course or program application fees;

9.8 (6) increase students' participation in and success with advanced placement or
9.9 international baccalaureate courses or programs;

9.10 (7) expand students' access to advanced placement or international baccalaureate
9.11 courses or programs through online learning;

9.12 (8) hire appropriately licensed personnel to teach additional advanced placement or
9.13 international baccalaureate courses or programs; or

9.14 (9) engage in other activity directly related to expanding students' access to,
9.15 participation in, and success with advanced placement or international baccalaureate
9.16 courses or programs, including low-income and other disadvantaged students.

9.17 Subd. 4. Annual reports. (a) Each school district and charter school that receives
9.18 a grant under this section annually must collect demographic and other student data to
9.19 demonstrate and measure the extent to which the district or charter school raised students'
9.20 academic achievement under this program and must report the data to the commissioner
9.21 in the form and manner the commissioner determines. The commissioner annually, by
9.22 February 15, must make summary data about this program available to the education
9.23 policy and finance committees of the legislature.

9.24 (b) Each school district and charter school that receives a grant under this section
9.25 annually must report to the commissioner, consistent with the uniform financial accounting
9.26 and reporting standards, its actual expenditures for advanced placement, preadvanced
9.27 placement, and international baccalaureate courses and programs. The report must
9.28 demonstrate that the school district or charter school has maintained its effort from other
9.29 sources for advanced placement, preadvanced placement, and international baccalaureate
9.30 courses and programs compared with the previous fiscal year, and the district or charter
9.31 school has expended all grant funds, consistent with its approved budget.

9.32 EFFECTIVE DATE. This section is effective the day following final enactment
9.33 and applies to the 2006-2007 school year and later.

9.34 Sec. 2. Minnesota Statutes 2004, section 122A.18, subdivision 2, is amended to read:

10.1 **Subd. 2. Teacher and support personnel qualifications.** (a) The Board of
10.2 Teaching must issue licenses under its jurisdiction to persons the board finds to be
10.3 qualified and competent for their respective positions.

10.4 (b) The board must require a person to successfully complete an examination of
10.5 skills in reading, writing, and mathematics before being granted an initial teaching license
10.6 to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special
10.7 education programs. The board must require colleges and universities offering a board
10.8 approved teacher preparation program to provide remedial assistance that includes a
10.9 formal diagnostic component to persons enrolled in their institution who did not achieve a
10.10 qualifying score on the skills examination, including those for whom English is a second
10.11 language. The colleges and universities must provide assistance in the specific academic
10.12 areas of deficiency in which the person did not achieve a qualifying score. School
10.13 districts must provide similar, appropriate, and timely remedial assistance that includes a
10.14 formal diagnostic component and mentoring to those persons employed by the district
10.15 who completed their teacher education program outside the state of Minnesota, received
10.16 a one-year license to teach in Minnesota and did not achieve a qualifying score on the
10.17 skills examination, including those persons for whom English is a second language. The
10.18 Board of Teaching shall report annually to the education committees of the legislature
10.19 on the total number of teacher candidates during the most recent school year taking the
10.20 skills examination, the number who achieve a qualifying score on the examination, the
10.21 number who do not achieve a qualifying score on the examination, the distribution of all
10.22 candidates' scores, the number of candidates who have taken the examination at least once
10.23 before, and the number of candidates who have taken the examination at least once before
10.24 and achieve a qualifying score.

10.25 (c) A person who has completed an approved teacher preparation program and
10.26 obtained a one-year license to teach, but has not successfully completed the skills
10.27 examination, may renew the one-year license for two additional one-year periods. Each
10.28 renewal of the one-year license is contingent upon the licensee:

10.29 (1) providing evidence of participating in an approved remedial assistance program
10.30 provided by a school district or postsecondary institution that includes a formal diagnostic
10.31 component in the specific areas in which the licensee did not obtain qualifying scores; and
10.32 (2) attempting to successfully complete the skills examination during the period
10.33 of each one-year license.

10.34 (d) The Board of Teaching must grant continuing licenses only to those persons who
10.35 have met board criteria for granting a continuing license, which includes successfully
10.36 completing the skills examination in reading, writing, and mathematics.

11.1 (e) All colleges and universities approved by the board of teaching to prepare persons
 11.2 for teacher licensure must include in their teacher preparation programs a common core
 11.3 of teaching knowledge and skills to be acquired by all persons recommended for teacher
 11.4 licensure. This common core shall meet the standards developed by the interstate new
 11.5 teacher assessment and support consortium in its 1992 "model standards for beginning
 11.6 teacher licensing and development;" and must include technology and information
 11.7 literacy standards that are consistent with recommendations from the department's
 11.8 educator licensing and teacher quality division. The board must develop and implement a
 11.9 system for reviewing on a seven-year cycle all standards of effective practice for teachers
 11.10 beginning in the 2007-2008 school year. Amendments to standards adopted under this
 11.11 paragraph are covered by chapter 14. The board of teaching shall report annually to
 11.12 the education committees of the legislature on the performance of teacher candidates
 11.13 on common core assessments of knowledge and skills under this paragraph during the
 11.14 most recent school year.

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

11.16 Sec. 3. [122A.245] TEACHER TRAINING PROGRAM FOR QUALIFIED
 11.17 PROFESSIONALS.

11.18 Subdivision 1. Scope and requirements. (a) As an alternative to postsecondary
 11.19 teacher preparation programs, a teacher training program is established for qualified
 11.20 professionals to acquire an entrance license. Program providers, approved by the Board of
 11.21 Teaching under subdivision 3, may offer the program in the instructional fields of science,
 11.22 mathematics, world languages, English as a second language, and special education.

11.23 (b) To participate in the teacher training program, the teacher applicant must:

11.24 (1) have, at a minimum, a bachelor's degree from an accredited four-year
 11.25 postsecondary institution;

11.26 (2) have an undergraduate major or postbaccalaureate degree in the subject to be
 11.27 taught or in an equivalent or related subject area in which the applicant is seeking licensure;

11.28 (3) pass a skills examination in reading, writing, and mathematics required under
 11.29 section 122A.18;

11.30 (4) pass the Praxis II subject assessment for each subject area to be taught;

11.31 (5) have a cumulative grade point average of 2.75 or higher on a 4.0 scale for a
 11.32 bachelor's degree;

11.33 (6) show employment related to the subject to be taught; and

11.34 (7) show a district offer for employment as a teacher contingent on participating in
 11.35 an approved program described in subdivision 2.

12.1 Subd. 2. Program. A teacher training program under this section is one year in
12.2 duration and must include:

12.3 (1) a nine-credit summer or preinduction preparation program that includes
12.4 classroom management techniques and on-site classroom observation that are completed
12.5 before the candidate is employed in the classroom;

12.6 (2) 200 clock hours of instruction in standards of effective practice and essential
12.7 skills that include curriculum, instructional strategies, and classroom management
12.8 presented after school or on Saturdays throughout the year leading to a teaching license
12.9 and up to 15 graduate credits toward a master's degree in education;

12.10 (3) on-the-job mentoring, supervision, and evaluation arranged by the employing
12.11 district that includes mentoring provided by an experienced teacher licensed in the subject
12.12 taught by the applicant, and three evaluations by an evaluation team composed of the
12.13 mentor, the principal, and a training program member that include at least three classroom
12.14 observations where the third evaluation contains the team's recommendation for licensure
12.15 and where a written report of each evaluation is prepared; and

12.16 (4) a one-week intensive workshop that includes analysis and reflection of the first
12.17 year of teaching after completing the school year, which may be counted as part of 200
12.18 clock hours required in clause (2).

12.19 Subd. 3. Program approval. An interested Minnesota public or private
12.20 postsecondary institution must submit program proposals to the Board of Teaching for
12.21 approval.

12.22 Notwithstanding any law to the contrary, the Board of Teaching must develop
12.23 criteria for approving teacher training programs under this section after considering the
12.24 recommendations of an advisory group appointed by the Board of Teaching composed of,
12.25 at a minimum, the commissioner of education or designee, and representatives of school
12.26 superintendents, principals, teachers, and postsecondary institutions, including those
12.27 offering degrees in teaching preparation.

12.28 Subd. 4. Grants; permissible uses. (a) A Minnesota public or private
12.29 postsecondary institution submitting a program proposal to the Board of Teaching under
12.30 subdivision 3, or with a program approved by the Board of Teaching under subdivision
12.31 3 or section 122A.246, subdivision 2, may submit a proposed budget to the Board of
12.32 Teaching detailing the applicant's current and proposed expenditures to develop and
12.33 implement programs under this section and section 122A.246. The proposed budget must
12.34 demonstrate that the applicant's efforts will supplement but not supplant expenditures
12.35 the applicant made for these purposes for the fiscal year prior to program approval.

13.1 Expenditures for administration must not exceed five percent of the proposed budget. The
13.2 Board of Teaching may require an applicant to provide additional information.

13.3 (b) The Board of Teaching, after consulting with the commissioner, may award
13.4 grants to applicants meeting the requirements of subdivision 2 or section 122A.246,
13.5 subdivision 2. The Board of Teaching must award grants on an equitable geographical
13.6 basis to the extent feasible and consistent with this section.

13.7 (c) Each grant recipient must expend all grant funds it receives consistent with
13.8 its approved application and budget, and must submit an annual report to the Board of
13.9 Teaching regarding the use of grant funds and the effectiveness of the program.

13.10 Subd. 5. **Eligibility license.** Notwithstanding any law to the contrary, the Board of
13.11 Teaching must issue to an applicant who successfully meets the criteria under subdivision
13.12 1, paragraph (b), a one-year eligibility license to teach at the employing district under
13.13 subdivision 1, paragraph (b), clause (7). During the one-year eligibility period, the
13.14 employing district must assign a mentor under subdivision 2, clause (3). The applicant
13.15 teacher and teacher mentor must meet at least weekly throughout the school year on
13.16 classroom and instructional issues.

13.17 The hiring district may deduct from the participant's salary the cost of providing the
13.18 mentor for the participant during the training year.

13.19 Subd. 6. **Standard entrance license.** Notwithstanding any law to the contrary, the
13.20 Board of Teaching must issue a standard entrance license to a training program licensee
13.21 who successfully completes the program under subdivision 2, successfully teaches in
13.22 a classroom for one complete school year, successfully passes the Praxis II principles
13.23 of learning and teaching, and receives a positive recommendation from the applicant's
13.24 evaluation team.

13.25 Subd. 7. **Qualified teacher.** A person with a valid eligibility license under
13.26 subdivision 5 is a qualified teacher under section 122A.16.

13.27 **Sec. 4. [122A.246] TEACH FOR MINNESOTA.**

13.28 Subdivision 1. **Establishment; requirements.** The teach for Minnesota program is
13.29 a teacher training program established to encourage college graduates to acquire a license
13.30 to teach in high-needs schools and hard-to-staff schools. To participate in the program,
13.31 an applicant must:

13.32 (1) have received a bachelor's degree from an accredited four-year postsecondary
13.33 institution received within one year prior to the date of the application;

13.34 (2) have an undergraduate major in the subject to be taught or in an equivalent or
13.35 related subject area in which the applicant is seeking licensure;

14.1 (3) pass a skills examination in reading, writing, and mathematics required under
14.2 section 122A.18;

14.3 (4) pass the Praxis II subject assessment for each subject area to be taught;

14.4 (5) have a cumulative grade point average of 3.0 or higher on a 4.0 scale; and

14.5 (6) show a district offer for employment in a high-needs or hard-to-staff school
14.6 contingent on participating in the program under this section.

14.7 Subd. 2. Program. A teacher training program must include the requirements
14.8 under section 122A.245, subdivision 2. A teacher preparation program provider must be
14.9 approved by the Board of Teaching and may offer the program in the instructional fields of
14.10 science, mathematics, English as a second language, and special education. A Minnesota
14.11 public or private postsecondary institution must submit program proposals to the Board of
14.12 Teaching for approval. Notwithstanding any law to the contrary, the Board of Teaching, in
14.13 consultation with the commissioner of education, postsecondary institutions, and school
14.14 district administrators and teachers in districts with high-needs and hard-to-staff schools,
14.15 must develop criteria for approving teacher training programs under this section.

14.16 Subd. 3. License. Notwithstanding any law to the contrary, the Board of Teaching
14.17 must issue a standard entrance license to an applicant who successfully completes
14.18 a training program under this section and successfully passes the Praxis II principles
14.19 of learning and teaching.

14.20 **Sec. 5. [122A.416] ALTERNATIVE TEACHER COMPENSATION REVENUE**
14.21 **FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT**
14.22 **INTEGRATION COLLABORATIVES.**

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

14.33 **EFFECTIVE DATE. This section is effective for revenue for fiscal year 2007.**

14.34 **Sec. 6. [124D.935] HIGH SCHOOL REDESIGN GRANTS.**

15.1 Subdivision 1. Establishment; eligibility. A ten-year grant program is established
15.2 to improve student achievement in, improve teaching and learning of, and provide
15.3 expanded access to science, technology, engineering, and mathematics in a high school
15.4 through innovative strategies that better prepare students to succeed at postsecondary
15.5 education or complex work. School districts, charter schools, intermediate districts,
15.6 groups of districts that cooperate for a particular purpose, and other public educational
15.7 institutions interested in participating in this grant program must:

15.8 (1) design new or improve and adapt existing courses, programs, or a series of
15.9 aligned learning opportunities in science, technology, engineering, and mathematics to
15.10 incorporate algebra I in grade 8 and algebra II in high school and to integrate algebra II
15.11 into career and technical education programs where appropriate;

15.12 (2) use applied learning strategies to improve the quality of and access to science,
15.13 technology, engineering, and mathematics courses, curricula, and laboratories for all
15.14 students, with strategies to aggressively increase the number of low-income and other
15.15 educationally at-risk students enrolling in these courses;

15.16 (3) improve science, technology, engineering, and mathematics instruction for
15.17 students in underserved rural or urban areas or economically disadvantaged areas and for
15.18 other students who are educationally at-risk;

15.19 (4) develop innovative ways to integrate technology into teaching and learning using
15.20 modern computers, networking, high quality educational software, multimedia across
15.21 curriculum, and affordable Internet connections;

15.22 (5) advance the use of new technology, assistive technology, and media and materials
15.23 effective in educating youth with disabilities;

15.24 (6) improve the content, interdisciplinary, and pedagogical knowledge of teachers,
15.25 administrators, and other educators who play a significant role in providing students with
15.26 challenging science, technology, engineering, and mathematics education, and focus on
15.27 teacher professional development;

15.28 (7) use the ACT explore and plan system in grades 8 and 10 or other appropriate
15.29 education and career planning resources to identify the academic strengths and remedial
15.30 needs of individual students and provide individual students with education and career
15.31 planning information sufficient to select an appropriate planned high school course
15.32 sequence and make a successful transition to postsecondary education or advanced work;

15.33 (8) enable teachers to individualize student instruction and allow students to
15.34 experiment, acquire skills, and apply content knowledge in science, technology,
15.35 engineering, and mathematics;

16.1 (9) sustain educational improvements in science, technology, engineering, and
 16.2 mathematics by providing expert and peer advice and identifying, documenting, and
 16.3 disseminating best practices and lessons to teachers and administrators statewide; and

16.4 (10) develop partnerships with postsecondary institutions, business organizations,
 16.5 professional organizations, and community-based organizations interested in science,
 16.6 technology, engineering, or mathematics.

16.7 **Subd. 2. Application and review process; funding priority.** (a) School districts,
 16.8 charter schools, intermediate districts, groups of districts that cooperate for a particular
 16.9 purpose, and other public educational institutions interested in participating in this grant
 16.10 program may apply to the commissioner, in the form and manner the commissioner
 16.11 determines, for competitive funding to improve student achievement in, improve teaching
 16.12 and learning of, and provide expanded access to science, technology, engineering, and
 16.13 mathematics in a high school, consistent with subdivision 1. The application must detail
 16.14 the specific efforts the applicant intends to undertake to successfully implement innovative
 16.15 strategies that affect the learning environment, academic content, and educational practices
 16.16 in high school, and must include a proposed budget detailing the applicant's current and
 16.17 proposed expenditures for these purposes. The proposed budget must demonstrate that the
 16.18 applicant's efforts will supplement but not supplant expenditures the applicant currently
 16.19 makes for science, technology, engineering, and mathematics teaching and learning.
 16.20 Administrative expenditures must not exceed five percent of the proposed budget. The
 16.21 commissioner may require an applicant to provide additional information.

16.22 (b) When reviewing applications, the commissioner must determine whether
 16.23 the applicant satisfied all the requirements in this subdivision and subdivision 1. The
 16.24 commissioner may give funding priority to an otherwise qualified candidate that:

16.25 (1) combines day and evening programs;

16.26 (2) restructures grade 12 to allow students to complete out-of-school learning
 16.27 experiences aligned with their in-school program;

16.28 (3) uses online learning options;

16.29 (4) embeds higher level science, technology, engineering, and mathematics into
 16.30 redesigned career and technical programs;

16.31 (5) enables students to receive both high school and college credit for successfully
 16.32 completing science, technology, engineering, and mathematics programs and meeting
 16.33 postsecondary institution placement requirements;

16.34 (6) targets low-income and other educationally at-risk students to improve their
 16.35 participation and performance in science, technology, engineering, and mathematics
 16.36 courses and careers; or

17.1 (7) strongly supports all students in exploring and preparing for careers in science,
17.2 technology, engineering, or mathematics.

17.3 The commissioner shall give funding priority to an otherwise qualified recipient
17.4 that received a grant for the previous fiscal year if the annual reports the recipient
17.5 submitted under subdivision 4 demonstrate that the recipient continues to improve student
17.6 achievement in and teaching and learning of and provide expanded access to science,
17.7 technology, engineering, and mathematics in a high school.

17.8 Subd. 3. Grants; permissible uses. (a) The commissioner may award grants to
17.9 applicants meeting the requirements of subdivisions 1 and 2. The commissioner must
17.10 award grants on an equitable geographical basis to the extent feasible and consistent
17.11 with this section.

17.12 (b) Each grant recipient must expend all grant funds it receives consistent with its
17.13 approved application and budget and this section.

17.14 Subd. 4. Annual reports. (a) Each recipient of a grant under this section must
17.15 annually collect student and teacher data to demonstrate and measure the extent to which
17.16 the grant recipient improves student achievement in, improves teaching and learning of,
17.17 and provides expanded access to science, technology, engineering, and mathematics in
17.18 a high school, and must report the data to the commissioner in the form and manner
17.19 the commissioner determines. The commissioner must, annually by February 15, make
17.20 summary data about this program available to the committees with jurisdiction over
17.21 education policy and finance in the house of representatives and senate.

17.22 (b) Each grant recipient under this section must annually report to the commissioner,
17.23 consistent with the Uniform Financial Accounting and Reporting System, its actual
17.24 expenditures for the efforts it undertakes under this section. The report must demonstrate
17.25 that the grant recipient has maintained its effort from other sources for science, technology,
17.26 engineering, and mathematics teaching and learning efforts compared with the previous
17.27 fiscal year, and that the grant recipient has expended all grant funds it received under this
17.28 section consistent with its approved application and budget. Any unexpended grant funds
17.29 remaining at the end of a fiscal year must be reserved and expended consistent with the
17.30 grant recipient's approved budget for the subsequent fiscal year.

17.31 **EFFECTIVE DATE.** This section is effective the day following final enactment
17.32 and applies to the 2006-2007 school year and later.

17.33 Sec. 7. **GRANTS FOR INTENSIVE ENGLISH INSTRUCTION FOR ADULT**
17.34 **IMMIGRANTS AND REFUGEES.**

18.1 The commissioner of education shall establish a reimbursement grant program
18.2 to fund intensive English as a second language (ESL) programs for adult immigrants
18.3 and refugees. Intensive ESL programming must provide intensive instruction for adult
18.4 immigrants and refugees who are making inadequate literacy progress as measured by
18.5 a standard assessment test. The intensive instruction must be focused on participants
18.6 gaining sufficient literacy to achieve self-sufficiency through employment. Organizations
18.7 eligible for grants under this section include adult basic education programs, school
18.8 districts, postsecondary institutions, and nonprofit or community-based organizations or
18.9 other private organizations with experience in providing English language instruction
18.10 to non-English speaking immigrants and refugees. Grant applications must be in the
18.11 form and manner determined by the commissioner. At a minimum, the application must
18.12 document experience in literacy programs serving immigrants and refugees, describe fiscal
18.13 accounting systems and reporting capacity, ensure that administrative expenses are limited
18.14 to five percent of grant funds, and provide a description of the proposed instructional
18.15 services and training plans. Funds must be paid to programs on a reimbursement basis.

18.16 **Sec. 8. CHINESE LANGUAGE PROGRAMS; CURRICULUM**
18.17 **DEVELOPMENT PROJECT.**

18.18 Subdivision 1. Project parameters. (a) Notwithstanding other law to the contrary,
18.19 the commissioner of education may contract with the Board of Regents of the University
18.20 of Minnesota, the Center for Advanced Research on Language Acquisition (CARLA) or
18.21 other entity the commissioner determines is qualified to undertake the development of an
18.22 articulated K-12 Chinese curriculum for Minnesota schools that involves:

18.23 (1) creating a network of Chinese teachers and educators able to develop new and
18.24 modify or expand existing world languages K-12 curricula, materials, assessments, and
18.25 best practices needed to provide Chinese language instruction to students; and

18.26 (2) coordinating statewide efforts to develop and expand Chinese language
18.27 instruction so that it is uniformly available to students throughout the state, and making
18.28 innovative use of media and technology, including television, distance learning, and online
18.29 courses to broaden students' access to the instruction.

18.30 (b) The entity with which the commissioner contracts under paragraph (a) must have
18.31 sufficient knowledge and expertise to ensure the professional development of appropriate,
18.32 high quality curricula, supplementary materials, aligned assessments, and best practices
18.33 that accommodate different levels of student ability and types of programs.

18.34 (c) Project participants must:

18.35 (1) work throughout the project to develop curriculum, supplementary materials,
18.36 aligned assessments, and best practices; and

19.1 (2) make curriculum, supplementary materials, aligned assessments, and best
19.2 practices equitably available to Minnesota schools and students.

19.3 Subd. 2. Project participants. The entity with which the commissioner contracts
19.4 must work with the network of Chinese teachers and educators to:

19.5 (1) conduct an inventory of Chinese language curricula, supplementary materials,
19.6 and professional development initiatives currently used in Minnesota or other states;

19.7 (2) develop Chinese language curricula and benchmarks aligned to local world
19.8 language standards and classroom-based assessments; and

19.9 (3) review and recommend to the commissioner how best to build an educational
19.10 infrastructure to provide more students with Chinese language instruction, including
19.11 how to develop and provide: an adequate supply of Chinese language teachers; an
19.12 adequate number of high quality school programs; appropriate curriculum, instructional
19.13 materials, and aligned assessments that include technology-based delivery systems;
19.14 teacher preparation programs to train Chinese language teachers; expedited licensing of
19.15 Chinese language teachers; best practices in existing educational programs that can be
19.16 used to establish K-12 Chinese language programs; and technical assistance resources.

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

19.18 Sec. 9. APPROPRIATIONS.

19.19 Subdivision 1. Department of Education. The sums indicated in this section are
19.20 appropriated from the general fund to the Department of Education for the fiscal years
19.21 designated.

19.22 Subd. 2. AP and IB increased student participation. For the increased
19.23 participation of students in advanced placement and international baccalaureate programs
19.24 under Minnesota Statutes, section 120B.132:

19.25 \$ 7,319,000 2007

19.26 Subd. 3. High school redesign grants. To implement the high school redesign
19.27 grants under section 6:

19.28 \$ 5,000,000 2007

19.29 Subd. 4. Teach for Minnesota and alternative teacher training. For the teach for
19.30 Minnesota program under Minnesota Statutes, section 122A.246, and alternative teacher
19.31 training program for qualified professionals under Minnesota Statutes, section 122A.245:

19.32 \$ 500,000 2007

20.1 **Subd. 5. Intensive English instruction for immigrants and refugees. For a**
20.2 **grant program for intensive English instruction for adult immigrants and refugees under**
20.3 **section 7:**

20.4 \$ 1,000,000 2007

20.5 **This appropriation does not cancel but is available to June 30, 2009. The base for**
20.6 **this program in fiscal year 2009 and later is \$0.**

20.7 **Subd. 6. Chinese language. For the Chinese language curriculum project under**
20.8 **section 8:**

20.9 \$ 250,000 2007

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

20.11 **Sec. 10. REPEALER.**

20.12 **Minnesota Statutes 2004, section 122A.24, is repealed."**

20.13 Amend the title accordingly

1.1 Senator moves to amend S.F. No. 3393 as follows:

1.2 Page 1, after line 7, insert:

1.3 "Section 1. Minnesota Statutes 2004, section 120B.021, subdivision 1, is amended
1.4 to read:

1.5 Subdivision 1. **Required academic standards.** (a) The following subject areas
1.6 are required for statewide accountability:

1.7 (1) language arts that at least include one primary school level, two intermediate or
1.8 middle school level, and three high school level instructional units on the contributions of
1.9 Minnesota American Indian tribes and communities in literature and language;

1.10 (2) mathematics that at least include one primary school level, two intermediate or
1.11 middle school level, and three high school level instructional units on the contributions of
1.12 Minnesota American Indian tribes and communities in mathematics reflected in traditional
1.13 games, among other topics;

1.14 (3) science that at least include one primary school level, two intermediate or
1.15 middle school level, and three high school level instructional units on the contributions
1.16 of Minnesota American Indian tribes and communities in science reflected in traditional
1.17 plants and medicines, among other topics;

1.18 (4) social studies, including history, geography, economics, and government and
1.19 citizenship that at least encompass one primary school level, two intermediate or middle
1.20 school level and three high school level instructional units on the contributions of
1.21 Minnesota American Indian tribes and communities in social studies reflected in American
1.22 Indians' unique sovereign status, traditional and contemporary economic structures,
1.23 treaty making and related implications and obligations, and the history and culture of
1.24 reservations, among other topics;

1.25 (5) health and physical education, for which locally developed academic standards
1.26 apply that at least include one primary school level, two intermediate or middle school
1.27 level, and three high school level instructional units on the contributions of Minnesota
1.28 American Indian tribes and communities reflected in games, traditional foods, and
1.29 lifestyles, among other topics; and

1.30 (6) the arts, for which statewide or locally developed academic standards apply, as
1.31 determined by the school district, that at least include one primary school level, two
1.32 intermediate or middle school level, and three high school level instructional units on the
1.33 contributions of Minnesota American Indian tribes and communities in art, traditional
1.34 and contemporary music, dance and theater, among other topics. Public elementary and
1.35 middle schools must offer at least three and require at least two of the following four
1.36 arts areas: dance; music; theater; and visual arts. Public high schools must offer at least

2.1 three and require at least one of the following five arts areas: media arts; dance; music;
2.2 theater; and visual arts.

2.3 School districts must integrate into the course credit requirements under section
2.4 120B.024 the satisfactory work that high school students complete in three or more high
2.5 school level instruction units on the contributions of Minnesota American Indian tribes
2.6 and communities under paragraph (a), clauses (1) to (6).

2.7 (b) The commissioner must submit proposed standards in science and social studies
2.8 to the legislature by February 1, 2004.

2.9 (c) For purposes of applicable federal law, the academic standards for language arts,
2.10 mathematics, and science apply to all public school students, except the very few students
2.11 with extreme cognitive or physical impairments for whom an individualized education
2.12 plan team has determined that the required academic standards are inappropriate.

2.13 An individualized education plan team that makes this determination must establish
2.14 alternative standards.

2.15 (d) A school district, no later than the 2007-2008 school year, must adopt graduation
2.16 requirements that meet or exceed state graduation requirements established in law or
2.17 rule. A school district that incorporates these state graduation requirements before the
2.18 2007-2008 school year must provide students who enter the 9th grade in or before
2.19 the 2003-2004 school year the opportunity to earn a diploma based on existing locally
2.20 established graduation requirements in effect when the students entered the 9th grade.
2.21 District efforts to develop, implement, or improve instruction or curriculum as a result
2.22 of the provisions of this section must be consistent with sections 120B.10, 120B.11,
2.23 and 120B.20.

2.24 **EFFECTIVE DATE.** This section is effective for the 2006-2007 school year and
2.25 later.

2.26 Sec. 2. Minnesota Statutes 2004, section 120B.024, is amended to read:

2.27 **120B.024 GRADUATION REQUIREMENTS; COURSE CREDITS.**

2.28 Students beginning 9th grade in the 2004-2005 school year and later must
2.29 successfully complete the following high school level course credits for graduation,
2.30 consistent with section 120B.021, subdivision 1, paragraph (a):

2.31 (1) four credits of language arts;

2.32 (2) three credits of mathematics, encompassing at least algebra, geometry, statistics,
2.33 and probability sufficient to satisfy the academic standard;

2.34 (3) three credits of science, including at least one credit in biology;

3.1 (4) three and one-half credits of social studies, encompassing at least United
3.2 States history, geography, government and citizenship, world history, and economics or
3.3 three credits of social studies encompassing at least United States history, geography,
3.4 government and citizenship, and world history, and one-half credit of economics taught in
3.5 a school's social studies or business department;

3.6 (5) one credit in the arts; and

3.7 (6) a minimum of seven elective course credits.

3.8 A course credit is equivalent to a student successfully completing an academic
3.9 year of study or a student mastering the applicable subject matter, as determined by the
3.10 local school district.

3.11 **EFFECTIVE DATE.** This section is effective for the 2006-2007 school year and
3.12 later. "

3.13 Renumber the sections in sequence and correct the internal references

3.14 Amend the title accordingly

Senator Hann introduced-

S.F. No. 2967: Referred to the Committee on Education.

1.1 A bill for an act
relating to education; clarifying the burden of proof in special education due
1.2 process hearings; authorizing rulemaking; amending Minnesota Statutes 2004,
1.4 section 125A.091, subdivision 16.

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

1.6 Section 1. Minnesota Statutes 2004, section 125A.091, subdivision 16, is amended to
1.7 read:

1.8 Subd. 16. **Burden of proof.** ~~The burden of proof at a due process hearing is on the~~
1.9 ~~district to demonstrate, by a preponderance of the evidence, that it is complying with the~~
1.10 ~~law and offered or provided a free appropriate public education to the child in the least~~
1.11 ~~restrictive environment. If the district has not offered or provided a free appropriate public~~
1.12 ~~education in the least restrictive environment and the parent wants the district to pay for a~~
1.14 ~~private placement, the burden of proof is on the parent to demonstrate, by a preponderance~~
1.15 ~~of the evidence, that the private placement is appropriate. The burden of proof at a due~~
1.16 ~~process hearing is on the party seeking relief to demonstrate by a preponderance of the~~
~~evidence that the requested relief is warranted.~~

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

1.18 Sec. 2. **DEPARTMENT OF EDUCATION; RULES.**

1.19 Before July 1, 2007, the Department of Education must amend Minnesota Rules,
1.20 part 3525.3900, subpart 4, item F, to conform with section 1.

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

Senator Stumpf introduced-

S.F. No. 3274: Referred to the Committee on Education.

1.1 A bill for an act
 1.2 relating to education; providing for financing of prekindergarten through grade
 1.3 12 education; raising academic achievement; establishing an alternative teacher
 1.4 training program for qualified professionals; expanding alternative teacher
 1.5 compensation program; expanding early childhood Part C services; providing
 1.6 intensive English instruction for adult refugees; providing for Chinese language
 1.7 programs; providing for a district and high school redesign pilot project;
 1.8 authorizing Waseca to levy for health and safety revenue; appropriating money;
 1.9 amending Minnesota Statutes 2004, sections 122A.18, subdivision 2; 124D.11,
 1.10 subdivision 9; 125A.27, subdivisions 3, 7, 8, 15, 18; 127A.41, subdivision 2;
 1.11 Minnesota Statutes 2005 Supplement, sections 121A.19; 122A.415, subdivisions
 1.12 1, 3; 125A.11, subdivision 1; 125A.79, subdivision 1; 126C.10, subdivisions 31,
 1.13 34; Laws 2005, First Special Session chapter 5, article 1, section 47; proposing
 1.14 coding for new law in Minnesota Statutes, chapters 120B; 122A; repealing
 1.15 Minnesota Statutes 2004, section 122A.24.

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

1.17 Section 1. **[120B.132] RAISED ACADEMIC ACHIEVEMENT; ADVANCED**
 1.18 **PLACEMENT AND INTERNATIONAL BACCALAUREATE PROGRAMS.**

1.19 **Subdivision 1. Establishment; eligibility. A program is established to raise K-12**
 1.20 **academic achievement through increased student participation in advanced placement**
 1.21 **and international baccalaureate programs, consistent with section 120B.13. Schools and**
 1.22 **charter schools eligible to participate under this section must:**

1.23 **(1) be authorized by the international baccalaureate organization to teach the**
 1.24 **international baccalaureate curriculum; or**

1.25 **(2) be a site approved by the college board to offer advanced placement courses**
 1.26 **and exams or must participate in the college board-sponsored preadvanced placement**
 1.27 **initiative; and**

1.28 **(3) propose to further raise students' academic achievement by:**

2.1 (i) increasing the availability of and all students' access to advanced placement or
 2.2 international baccalaureate courses or programs;

2.3 (ii) expanding the breadth of advanced placement or international baccalaureate
 2.4 courses or programs that are available to students;

2.5 (iii) increasing the number and the diversity of the students who participate in
 2.6 advanced placement or international baccalaureate courses or programs and succeed;

2.7 (iv) providing low-income and other disadvantaged students with increased access
 2.8 to advanced placement or international baccalaureate courses or programs; or

2.9 (v) increasing the number of high school students, including low-income and other
 2.10 disadvantaged students, who receive college credit by successfully completing advanced
 2.11 placement or international baccalaureate courses or programs and achieving satisfactory
 2.12 scores on related exams.

2.13 Subd. 2. Application and review process; funding priority. (a) Charter schools
 2.14 and school districts in which eligible schools under subdivision 1 are located may apply to
 2.15 the commissioner, in the form and manner the commissioner determines, for competitive
 2.16 funding to further raise students' academic achievement. The application must detail the
 2.17 specific efforts the applicant intends to undertake in further raising students' academic
 2.18 achievement consistent with subdivision 1, and a proposed budget detailing the district or
 2.19 charter school's current and proposed expenditures for advanced placement, preadvanced
 2.20 placement, and international baccalaureate courses and programs. The proposed
 2.21 budget must demonstrate that the applicant's efforts will supplement but not supplant
 2.22 any expenditures for advanced placement, preadvanced placement, and international
 2.23 baccalaureate courses and programs the applicant currently makes available to students.
 2.24 Expenditures for administration must not exceed five percent of the proposed budget. The
 2.25 commissioner may require an applicant to provide additional information.

2.26 (b) When reviewing applications, the commissioner must determine whether
 2.27 the applicant satisfied all the requirements in this subdivision and subdivision 1.
 2.28 The commissioner may give funding priority to an otherwise qualified applicant that
 2.29 demonstrates:

2.30 (1) a focus on developing or expanding advanced placement or international
 2.31 baccalaureate courses or programs or increasing students' participation in, access to, or
 2.32 success with the courses or programs, including the participation, access, or success of
 2.33 low-income and other disadvantaged students;

2.34 (2) a compelling need for access to advanced placement or international
 2.35 baccalaureate courses or programs;

3.1 (3) an effective ability to actively involve local business and community
 3.2 organizations in student activities that are integral to advanced placement or international
 3.3 baccalaureate courses or programs;

3.4 (4) access to additional public or nonpublic funds or in-kind contributions that are
 3.5 available for advanced placement or international baccalaureate courses or programs; or

3.6 (5) an intent to implement activities that target low-income and other disadvantaged
 3.7 students.

3.8 Subd. 3. Funding; permissible funding uses. (a) The commissioner shall award
 3.9 grants to applicant school districts and charter schools that meet the requirements of
 3.10 subdivisions 1 and 2. The commissioner must award grants on an equitable geographical
 3.11 basis to the extent feasible and consistent with this section. Grant awards must not exceed
 3.12 the lesser of: (1) \$85 times the number of pupils enrolled at the participating sites on
 3.13 October 1 of the previous fiscal year, or (2) the approved supplemental expenditures
 3.14 based on the budget submitted under subdivision 2. For charter schools in their first
 3.15 year of operation, the maximum grant award must be calculated using the number of
 3.16 pupils enrolled on October 1 of the current fiscal year. The commissioner may adjust
 3.17 the maximum grant award computed using prior year data for changes in enrollment
 3.18 attributable to school closings, school openings, grade level reconfigurations, or school
 3.19 district reorganizations between the prior fiscal year and the current fiscal year.

3.20 (b) School districts and charter schools that submit an application and receive
 3.21 funding under this section must use the funding, consistent with the application, to:

3.22 (1) provide teacher training and instruction to more effectively serve students,
 3.23 including low-income and other disadvantaged students, who participate in advanced
 3.24 placement or international baccalaureate courses or programs;

3.25 (2) further develop advanced placement or international baccalaureate courses or
 3.26 programs;

3.27 (3) improve the transition between grade levels to better prepare students, including
 3.28 low-income and other disadvantaged students, for succeeding in advanced placement or
 3.29 international baccalaureate courses or programs;

3.30 (4) purchase books and supplies;

3.31 (5) pay course or program application fees;

3.32 (6) increase students' participation in and success with advanced placement or
 3.33 international baccalaureate courses or programs;

3.34 (7) expand students' access to advanced placement or international baccalaureate
 3.35 courses or programs through online learning;

4.1 (8) hire appropriately licensed personnel to teach additional advanced placement or
 4.2 international baccalaureate courses or programs; or

4.3 (9) engage in other activity directly related to expanding students' access to,
 4.4 participation in, and success with advanced placement or international baccalaureate
 4.5 courses or programs, including low-income and other disadvantaged students.

4.6 Subd. 4. Annual reports. (a) Each school district and charter school that receives
 4.7 a grant under this section annually must collect demographic and other student data to
 4.8 demonstrate and measure the extent to which the district or charter school raised students'
 4.9 academic achievement under this program and must report the data to the commissioner
 4.10 in the form and manner the commissioner determines. The commissioner annually, by
 4.11 February 15, must make summary data about this program available to the education
 4.12 policy and finance committees of the legislature.

4.13 (b) Each school district and charter school that receives a grant under this section
 4.14 annually must report to the commissioner, consistent with the uniform financial accounting
 4.15 and reporting standards, its actual expenditures for advanced placement, preadvanced
 4.16 placement, and international baccalaureate courses and programs. The report must
 4.17 demonstrate that the school district or charter school has maintained its effort from other
 4.18 sources for advanced placement, preadvanced placement, and international baccalaureate
 4.19 courses and programs compared with the previous fiscal year, and the district or charter
 4.20 school has expended all grant funds, consistent with its approved budget.

4.21 EFFECTIVE DATE. This section is effective the day following final enactment
 4.22 and applies to the 2006-2007 school year and later.

4.23 Sec. 2. Minnesota Statutes 2005 Supplement, section 121A.19, is amended to read:

4.24 **121A.19 DEVELOPMENTAL SCREENING AID.**

4.25 Each school year, the state must pay a district ~~\$50~~ for each ~~three-year-old child~~
 4.26 ~~screened; \$40 for each four-year-old child screened; and \$30 for each five-year-old child~~
 4.27 or student screened by the district prior to kindergarten according to the requirements of
 4.28 section 121A.17. The amount of state aid for each child or student screened shall be: (1)
 4.29 \$50 for a child screened at age three; (2) \$40 for a child screened at age four; (3) \$30
 4.30 for a child screened at age five or six prior to kindergarten; and (4) \$30 for a student
 4.31 screened within 30 days after first enrolling in a public school kindergarten if the student
 4.32 has not previously been screened according to the requirements of section 121A.17. If this
 4.33 amount of aid is insufficient, the district may permanently transfer from the general fund
 4.34 an amount that, when added to the aid, is sufficient. Developmental screening aid shall not

5.1 be paid for any student who is screened more than 30 days after the first day of attendance
5.2 at a public school kindergarten, except if a student transfers to another public school
5.3 kindergarten within 30 days after first enrolling in a Minnesota public school kindergarten
5.4 program. In this case, if the student has not been screened, the district to which the student
5.5 transfers may receive developmental screening aid for screening that student when the
5.6 screening is performed within 30 days of the transfer date.

5.7 Sec. 3. Minnesota Statutes 2004, section 122A.18, subdivision 2, is amended to read:

5.8 Subd. 2. **Teacher and support personnel qualifications.** (a) The Board of
5.9 Teaching must issue licenses under its jurisdiction to persons the board finds to be
5.10 qualified and competent for their respective positions.

5.11 (b) The board must require a person to successfully complete an examination of
5.12 skills in reading, writing, and mathematics before being granted an initial teaching license
5.13 to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special
5.14 education programs. The board must require colleges and universities offering a board
5.15 approved teacher preparation program to provide remedial assistance that includes a
5.16 formal diagnostic component to persons enrolled in their institution who did not achieve a
5.17 qualifying score on the skills examination, including those for whom English is a second
5.18 language. The colleges and universities must provide assistance in the specific academic
5.19 areas of deficiency in which the person did not achieve a qualifying score. School
5.20 districts must provide similar, appropriate, and timely remedial assistance that includes a
5.21 formal diagnostic component and mentoring to those persons employed by the district
5.22 who completed their teacher education program outside the state of Minnesota, received
5.23 a one-year license to teach in Minnesota and did not achieve a qualifying score on the
5.24 skills examination, including those persons for whom English is a second language. The
5.25 Board of Teaching shall report annually to the education committees of the legislature
5.26 on the total number of teacher candidates during the most recent school year taking the
5.27 skills examination, the number who achieve a qualifying score on the examination, the
5.28 number who do not achieve a qualifying score on the examination, the distribution of all
5.29 candidates' scores, the number of candidates who have taken the examination at least once
5.30 before, and the number of candidates who have taken the examination at least once before
5.31 and achieve a qualifying score.

5.32 (c) A person who has completed an approved teacher preparation program and
5.33 obtained a one-year license to teach, but has not successfully completed the skills
5.34 examination, may renew the one-year license for two additional one-year periods. Each
5.35 renewal of the one-year license is contingent upon the licensee:

6.1 (1) providing evidence of participating in an approved remedial assistance program
6.2 provided by a school district or postsecondary institution that includes a formal diagnostic
6.3 component in the specific areas in which the licensee did not obtain qualifying scores; and

6.4 (2) attempting to successfully complete the skills examination during the period
6.5 of each one-year license.

6.6 (d) The Board of Teaching must grant continuing licenses only to those persons who
6.7 have met board criteria for granting a continuing license, which includes successfully
6.8 completing the skills examination in reading, writing, and mathematics.

6.9 (e) All colleges and universities approved by the board of teaching to prepare persons
6.10 for teacher licensure must include in their teacher preparation programs a common core
6.11 of teaching knowledge and skills to be acquired by all persons recommended for teacher
6.12 licensure. This common core shall meet the standards developed by the interstate new
6.13 teacher assessment and support consortium in its 1992 "model standards for beginning
6.14 teacher licensing and development," and must include technology and information
6.15 literacy standards that are consistent with recommendations from the department's
6.16 educator licensing and teacher quality division. The board must develop and implement a
6.17 system for reviewing on a seven-year cycle all standards of effective practice for teachers
6.18 beginning in the 2007-2008 school year. Amendments to standards adopted under this
6.19 paragraph are covered by chapter 14. The board of teaching shall report annually to
6.20 the education committees of the legislature on the performance of teacher candidates
6.21 on common core assessments of knowledge and skills under this paragraph during the
6.22 most recent school year.

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

6.24 **Sec. 4. [122A.245] TEACHER TRAINING PROGRAM FOR QUALIFIED**
6.25 **PROFESSIONALS.**

6.26 Subdivision 1. Scope and requirements. (a) As an alternative to postsecondary
6.27 teacher preparation programs, a teacher training program is established for qualified
6.28 professionals to acquire an entrance license. Program providers, approved by the Board of
6.29 Teaching under subdivision 3, may offer the program in the instructional fields of science,
6.30 mathematics, world languages, English as a second language, and special education.

6.31 (b) To participate in the teacher training program, the teacher applicant must:

6.32 (1) have, at a minimum, a bachelor's degree from an accredited four-year
6.33 postsecondary institution;

6.34 (2) have an undergraduate major or postbaccalaureate degree in the subject to be
6.35 taught or in an equivalent or related subject area in which the applicant is seeking licensure;

7.1 (3) pass a skills examination in reading, writing, and mathematics required under
7.2 section 122A.18;

7.3 (4) pass the Praxis II subject assessment for each subject area to be taught;

7.4 (5) have a cumulative grade point average of 2.75 or higher on a 4.0 scale for a
7.5 bachelor's degree;

7.6 (6) show employment related to the subject to be taught; and

7.7 (7) show a district offer for employment as a teacher contingent on participating in
7.8 an approved program described in subdivision 2.

7.9 Subd. 2. Program. A teacher training program under this section is one year in
7.10 duration and must include:

7.11 (1) a nine-credit summer or preinduction preparation program that includes
7.12 classroom management techniques and on-site classroom observation that are completed
7.13 before the candidate is employed in the classroom;

7.14 (2) 200 clock hours of instruction in standards of effective practice and essential
7.15 skills that include curriculum, instructional strategies, and classroom management
7.16 presented after school or on Saturdays throughout the year leading to a teaching license
7.17 and up to 15 graduate credits toward a master's degree in education;

7.18 (3) on-the-job mentoring, supervision, and evaluation arranged by the employing
7.19 district that includes mentoring provided by an experienced teacher licensed in the subject
7.20 taught by the applicant, and three evaluations by an evaluation team composed of the
7.21 mentor, the principal, and a training program member that include at least three classroom
7.22 observations where the third evaluation contains the team's recommendation for licensure
7.23 and where a written report of each evaluation is prepared; and

7.24 (4) a one-week intensive workshop that includes analysis and reflection of the first
7.25 year of teaching after completing the school year, which may be counted as part of 200
7.26 clock hours required in clause (2).

7.27 Subd. 3. Program approval. An interested Minnesota public or private
7.28 postsecondary institution must submit program proposals to the Board of Teaching for
7.29 approval.

7.30 Notwithstanding any law to the contrary, the Board of Teaching must develop
7.31 criteria for approving teacher training programs under this section after considering the
7.32 recommendations of an advisory group appointed by the Board of Teaching composed of,
7.33 at a minimum, the commissioner of education or designee, and representatives of school
7.34 superintendents, principals, teachers, and postsecondary institutions, including those
7.35 offering degrees in teaching preparation.

8.1 Subd. 4. Eligibility license. Notwithstanding any law to the contrary, the Board of
 8.2 Teaching must issue to an applicant who successfully meets the criteria under subdivision
 8.3 1, paragraph (b), a one-year eligibility license to teach at the employing district under
 8.4 subdivision 1, paragraph (b), clause (7). During the one-year eligibility period, the
 8.5 employing district must assign a mentor under subdivision 2, clause (3). The applicant
 8.6 teacher and teacher mentor must meet at least weekly throughout the school year on
 8.7 classroom and instructional issues.

8.8 The hiring district may deduct from the participant's salary the cost of providing the
 8.9 mentor for the participant during the training year.

8.10 Subd. 5. Standard entrance license. Notwithstanding any law to the contrary, the
 8.11 Board of Teaching must issue a standard entrance license to a training program licensee
 8.12 who successfully completes the program under subdivision 2, successfully teaches in
 8.13 a classroom for one complete school year, successfully passes the Praxis II principles
 8.14 of learning and teaching, and receives a positive recommendation from the applicant's
 8.15 evaluation team.

8.16 Subd. 6. Qualified teacher. A person with a valid eligibility license under
 8.17 subdivision 5 is a qualified teacher under section 122A.16.

8.18 **Sec. 5. [122A.246] TEACH FOR MINNESOTA.**

8.19 Subdivision 1. Establishment; requirements. The teach for Minnesota program is
 8.20 a teacher training program established to encourage college graduates to acquire a license
 8.21 to teach in high-needs schools and hard-to-staff schools. To participate in the program,
 8.22 an applicant must:

8.23 (1) have received a bachelor's degree from an accredited four-year postsecondary
 8.24 institution received within one year prior to the date of the application;

8.25 (2) have an undergraduate major in the subject to be taught or in an equivalent or
 8.26 related subject area in which the applicant is seeking licensure;

8.27 (3) pass a skills examination in reading, writing, and mathematics required under
 8.28 section 122A.18;

8.29 (4) pass the Praxis II subject assessment for each subject area to be taught;

8.30 (5) have a cumulative grade point average of 3.0 or higher on a 4.0 scale; and

8.31 (6) show a district offer for employment in a high-needs or hard-to-staff school
 8.32 contingent on participating in the program under this section.

8.33 Subd. 2. Program. A teacher training program must include the requirements
 8.34 under section 122A.245, subdivision 2. A teacher preparation program provider must be
 8.35 approved by the Board of Teaching and may offer the program in the instructional fields of

9.1 science, mathematics, English as a second language, and special education. A Minnesota
 9.2 public or private postsecondary institution must submit program proposals to the Board of
 9.3 Teaching for approval. Notwithstanding any law to the contrary, the Board of Teaching, in
 9.4 consultation with the commissioner of education, postsecondary institutions, and school
 9.5 district administrators and teachers in districts with high-needs and hard-to-staff schools,
 9.6 must develop criteria for approving teacher training programs under this section.

9.7 Subd. 3. License. Notwithstanding any law to the contrary, the Board of Teaching
 9.8 must issue a standard entrance license to an applicant who successfully completes
 9.9 a training program under this section and successfully passes the Praxis II principles
 9.10 of learning and teaching.

9.11 Sec. 6. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
 9.12 amended to read:

9.13 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
 9.14 school site, or charter school that meets the conditions of section 122A.414 and submits an
 9.15 application approved by the commissioner is eligible for alternative teacher compensation
 9.16 revenue.

9.17 (b) For school district and intermediate school district applications, the commissioner
 9.18 must consider only those applications to participate that are submitted jointly by a
 9.19 district and the exclusive representative of the teachers. The application must contain an
 9.20 alternative teacher professional pay system agreement that:

9.21 (1) implements an alternative teacher professional pay system consistent with
 9.22 section 122A.414; and

9.23 (2) is negotiated and adopted according to the Public Employment Labor Relations
 9.24 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
 9.25 district may enter into a contract for a term of two or four years.

9.26 Alternative teacher compensation revenue for a qualifying school district or site in
 9.27 which the school board and the exclusive representative of the teachers agree to place
 9.28 teachers in the district or at the site on the alternative teacher professional pay system
 9.29 equals \$260 times the ratio of the formula allowance for the current fiscal year to the
 9.30 formula allowance for fiscal year 2007 times the number of pupils enrolled at the district
 9.31 or site on October 1 of the previous fiscal year. Alternative teacher compensation revenue
 9.32 for a qualifying intermediate school district must be calculated under section 126C.10,
 9.33 subdivision 34, paragraphs (a) and (b).

9.34 (c) For a newly combined or consolidated district, the revenue shall be computed
 9.35 using the sum of pupils enrolled on October 1 of the previous year in the districts entering

10.1 into the combination or consolidation. The commissioner may adjust the revenue
10.2 computed for a site using prior year data to reflect changes attributable to school closings,
10.3 school openings, or grade level reconfigurations between the prior year and the current
10.4 year.

10.5 (d) The revenue is available only to school districts, intermediate school districts,
10.6 school sites, and charter schools that fully implement an alternative teacher professional
10.7 pay system by October 1 of the current school year.

10.8 Sec. 7. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
10.9 amended to read:

10.10 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites,
10.11 or charter schools with approved applications must receive alternative compensation
10.12 revenue for each school year that the district, intermediate school district, school site,
10.13 or charter school implements an alternative teacher professional pay system under this
10.14 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
10.15 intermediate school district, school site, or charter school that received alternative teacher
10.16 compensation aid for the previous fiscal year must receive at least an amount of alternative
10.17 teacher compensation revenue equal to the lesser of the amount it received for the previous
10.18 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
10.19 the district, intermediate school district, school site, or charter school submits a timely
10.20 application and the commissioner determines that the district, intermediate school district,
10.21 school site, or charter school continues to implement an alternative teacher professional
10.22 pay system, consistent with its application under this section.

10.23 (b) The commissioner shall approve applications that comply with subdivision 1,
10.24 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
10.25 school, in the order in which they are received, select applicants that qualify for this
10.26 program, notify school districts, intermediate school districts, school sites, and charter
10.27 schools about the program, develop and disseminate application materials, and carry out
10.28 other activities needed to implement this section.

10.29 (c) For applications approved under this section before August 1 of the fiscal year for
10.30 which the aid is paid, the portion of the state total basic alternative teacher compensation
10.31 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year
10.32 2006 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of
10.33 the state total basic alternative teacher compensation aid entitlement allocated to charter
10.34 schools must not exceed the product of \$3,374,000 times the ratio of the state total charter
10.35 school enrollment for the previous fiscal year to the state total charter school enrollment

11.1 ~~for the second previous year~~ fiscal year 2006 times the ratio of the formula allowance for
 11.2 the current fiscal year to the formula allowance for fiscal year 2007. Additional basic
 11.3 alternative teacher compensation aid may be approved for charter schools after August 1,
 11.4 not to exceed the charter school limit for the following fiscal year, if the basic alternative
 11.5 teacher compensation aid entitlement for school districts based on applications approved
 11.6 by August 1 does not expend the remaining amount under the limit.

11.7 **Sec. 8. [122A.416] ALTERNATIVE TEACHER COMPENSATION REVENUE**
 11.8 **FOR PERPICH CENTER FOR ARTS EDUCATION AND MULTIDISTRICT**
 11.9 **INTEGRATION COLLABORATIVES.**

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

11.20 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2007.

11.21 Sec. 9. Minnesota Statutes 2004, section 124D.11, subdivision 9, is amended to read:

11.22 **Subd. 9. Payment of aids to charter schools.** (a) Notwithstanding section 127A.45,
 11.23 subdivision 3, aid payments for the current fiscal year to a charter school not in its first
 11.24 year of operation shall be of an equal amount on each of the 23 payment dates. A charter
 11.25 school in its first year of operation shall receive, on its first payment date, ten percent of its
 11.26 cumulative amount guaranteed for the year and 22 payments of an equal amount thereafter
 11.27 the sum of which shall be ~~90 percent of~~ equal the current year aid payment percentage
 11.28 multiplied by the cumulative amount guaranteed.

11.29 (b) Notwithstanding paragraph (a), for a charter school ceasing operation prior to the
 11.30 end of a school year, ~~80 percent of~~ the current year aid payment percentage multiplied by
 11.31 the amount due for the school year may be paid to the school after audit of prior fiscal year
 11.32 and current fiscal year pupil counts. For a charter school ceasing operations prior to, or
 11.33 at the end of a school year, notwithstanding section 127A.45, subdivision 3, preliminary
 11.34 final payments may be made after audit of pupil counts, monitoring of special education

12.1 expenditures, and documentation of lease expenditures for the final year of operation.

12.2 Final payment may be made upon receipt of audited financial statements under section
12.3 123B.77, subdivision 3.

12.4 (c) Notwithstanding section 127A.45, subdivision 3, and paragraph (a), 80 percent
12.5 of the start-up cost aid under subdivision 8 shall be paid within 45 days after the first day
12.6 of student attendance for that school year.

12.7 (d) In order to receive state aid payments under this subdivision, a charter school in
12.8 its first three years of operation must submit a school calendar in the form and manner
12.9 requested by the department and a quarterly report to the Department of Education. The
12.10 report must list each student by grade, show the student's start and end dates, if any,
12.11 with the charter school, and for any student participating in a learning year program,
12.12 the report must list the hours and times of learning year activities. The report must be
12.13 submitted not more than two weeks after the end of the calendar quarter to the department.
12.14 The department must develop a Web-based reporting form for charter schools to use
12.15 when submitting enrollment reports. A charter school in its fourth and subsequent year of
12.16 operation must submit a school calendar and enrollment information to the department in
12.17 the form and manner requested by the department.

12.18 (e) Notwithstanding sections 317A.701 to 317A.791, upon closure of a charter
12.19 school and satisfaction of creditors, cash and investment balances remaining shall be
12.20 returned to the state.

12.21 Sec. 10. Minnesota Statutes 2005 Supplement, section 125A.11, subdivision 1, is
12.22 amended to read:

12.23 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2006,
12.24 when a school district provides instruction and services outside the district of residence,
12.25 board and lodging, and any tuition to be paid, shall be paid by the district of residence. The
12.26 tuition rate to be charged for any child with a disability, excluding a pupil for whom tuition
12.27 is calculated according to section 127A.47, subdivision 7, paragraph (d), must be the sum
12.28 of (1) the actual cost of providing special instruction and services to the child including
12.29 a proportionate amount for special transportation and unreimbursed building lease and
12.30 debt service costs for facilities used primarily for special education, plus (2) the amount
12.31 of general education revenue and referendum aid attributable to the pupil, minus (3) the
12.32 amount of special education aid for children with a disability received on behalf of that
12.33 child, minus (4) if the pupil receives special instruction and services outside the regular
12.34 classroom for more than 60 percent of the school day, the amount of general education
12.35 revenue and referendum aid, excluding portions attributable to district and school

13.1 administration, district support services, operations and maintenance, capital expenditures,
13.2 and pupil transportation, attributable to that pupil for the portion of time the pupil receives
13.3 special instruction in and services outside of the regular classroom. If the boards involved
13.4 do not agree upon the tuition rate, either board may apply to the commissioner to fix the
13.5 rate. Notwithstanding chapter 14, the commissioner must then set a date for a hearing or
13.6 request a written statement from each board, giving each board at least ten days' notice,
13.7 and after the hearing or review of the written statements the commissioner must make an
13.8 order fixing the tuition rate, which is binding on both school districts. General education
13.9 revenue and referendum aid attributable to a pupil must be calculated using the resident
13.10 district's average general education and referendum revenue per adjusted pupil unit.

13.11 (b) For fiscal year 2007 and later, when a school district provides special instruction
13.12 and services for a pupil with a disability as defined in section 125A.02 outside the district
13.13 of residence, excluding a pupil for whom an adjustment to special education aid is
13.14 calculated according to section 127A.47, subdivision 7, paragraph (e), special education
13.15 aid paid to the resident district must be reduced by an amount equal to (1) the actual
13.16 cost of providing special instruction and services to the pupil, including a proportionate
13.17 amount for special transportation and unreimbursed building lease and debt service costs
13.18 for facilities used primarily for special education, plus (2) the amount of general education
13.19 revenue and referendum aid attributable to that pupil, minus (3) the amount of special
13.20 education aid for children with a disability received on behalf of that child, minus (4) if the
13.21 pupil receives special instruction and services outside the regular classroom for more than
13.22 60 percent of the school day, the amount of general education revenue and referendum
13.23 aid, excluding portions attributable to district and school administration, district support
13.24 services, operations and maintenance, capital expenditures, and pupil transportation,
13.25 attributable to that pupil for the portion of time the pupil receives special instruction in
13.26 and services outside of the regular classroom. General education revenue and referendum
13.27 aid attributable to a pupil must be calculated using the resident district's average general
13.28 education revenue and referendum aid per adjusted pupil unit. Special education aid
13.29 paid to the district or cooperative providing special instruction and services for the pupil
13.30 must be increased by the amount of the reduction in the aid paid to the resident district.
13.31 Amounts paid to cooperatives under this subdivision and section 127A.47, subdivision
13.32 7, shall be recognized and reported as revenues and expenditures on the resident school
13.33 district's books of account under sections 123B.75 and 123B.76. If the resident district's
13.34 special education aid is insufficient to make the full adjustment, the remaining adjustment
13.35 shall be made to other state aid due to the district.

14.1 (c) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
 14.2 paragraphs (d) and (e), a charter school where more than 30 percent of enrolled students
 14.3 receive special education and related services, an intermediate district, or a special
 14.4 education cooperative may apply to the commissioner for authority to charge the resident
 14.5 district an additional amount to recover any remaining unreimbursed costs of serving
 14.6 pupils with a disability. The application must include a description of the costs and the
 14.7 calculations used to determine the unreimbursed portion to be charged to the resident
 14.8 district. Amounts approved by the commissioner under this paragraph must be included
 14.9 in the tuition billings or aid adjustments under paragraph (a) or (b), or section 127A.47,
 14.10 subdivision 7, paragraph (d) or (e), as applicable.

14.11 (d) For purposes of this subdivision and section 127A.47, subdivision 7, paragraphs
 14.12 (d) and (e), "general education revenue and referendum aid" means the sum of the general
 14.13 education revenue according to section 126C.10, subdivision 1, excluding alternative
 14.14 teacher compensation revenue, plus the referendum aid according to section 126C.17,
 14.15 subdivision 7, as adjusted according to section 127A.47, subdivision 7, paragraphs (a),
 14.16 (b), and (c).

14.17 **EFFECTIVE DATE.** This section is effective for fiscal year 2006.

14.18 Sec. 11. Minnesota Statutes 2004, section 125A.27, subdivision 3, is amended to read:

14.19 Subd. 3. **Core early intervention services.** "Core early intervention services"
 14.20 means services that are available at no cost to children and families. These services
 14.21 include:

- 14.22 (1) identification and referral;
- 14.23 (2) screening;
- 14.24 (3) evaluation;
- 14.25 (4) assessment;
- 14.26 (5) service coordination;
- 14.27 (6) special education and related services ~~provided under section 125A.08, and~~
 14.28 ~~United States Code, title 20, section 1401~~ for children who qualify for these services
 14.29 under Minnesota Rules; and
- 14.30 (7) protection of parent and child rights by means of procedural safeguards.

14.31 Sec. 12. Minnesota Statutes 2004, section 125A.27, subdivision 7, is amended to read:

14.32 Subd. 7. **Early intervention system.** "Early intervention system" means the total
 14.33 effort in the state to meet the needs of eligible children and their families, ~~including,~~
 14.34 ~~but not limited to:~~

15.1 ~~(1) any public agency in the state that receives funds under the Individuals with~~
 15.2 ~~Disabilities Education Act, United States Code, title 20, sections 1471 to 1485 (Part~~
 15.3 ~~C, Public Law 102-119);~~

15.4 ~~(2) other state and local agencies administering programs involved in the provision~~
 15.5 ~~of early intervention services, including, but not limited to:~~

15.6 ~~(i) the Maternal and Child Health program under title V of the Social Security Act,~~
 15.7 ~~United States Code, title 42, sections 701 to 709;~~

15.8 ~~(ii) the Individuals with Disabilities Education Act, United States Code, title 20,~~
 15.9 ~~sections 1411 to 1420 (Part B);~~

15.10 ~~(iii) medical assistance under the Social Security Act, United States Code, title~~
 15.11 ~~42, section 1396 et seq.;~~

15.12 ~~(iv) the Developmental Disabilities Assistance and Bill of Rights Act, United States~~
 15.13 ~~Code, title 42, sections 6021 to 6030 (Part B); and~~

15.14 ~~(v) the Head Start Act, United States Code, title 42, sections 9831 to 9852; and~~

15.15 ~~(3) services provided by private groups or third-party payers in conformity with an~~
 15.16 ~~individualized family service plan.~~

15.17 Sec. 13. Minnesota Statutes 2004, section 125A.27, subdivision 8, is amended to read:

15.18 Subd. 8. **Eligibility for Part C.** "Eligibility for Part C" means eligibility for early
 15.19 childhood special education under section 125A.02 and Minnesota Rules, ~~part 3525.2335,~~
 15.20 ~~subpart 1, items A and B.~~

15.21 Sec. 14. Minnesota Statutes 2004, section 125A.27, subdivision 15, is amended to read:

15.22 Subd. 15. **Part C state plan.** "Part C state plan" means the annual state plan
 15.23 application approved by the federal government ~~under the Individuals with Disabilities~~
 15.24 ~~Education Act, United States Code, title 20, section 1471 et seq. (Part C, Public Law~~
 15.25 ~~105-117).~~

15.26 Sec. 15. Minnesota Statutes 2004, section 125A.27, subdivision 18, is amended to read:

15.27 Subd. 18. **State lead agency.** "State lead agency" means the state agency receiving
 15.28 federal funds ~~under the Individuals with Disabilities Education Act, United States Code,~~
 15.29 ~~title 20, section 1471 et seq. (Part H, Public Law 102-119) for the purposes of providing~~
 15.30 early intervention services.

15.31 Sec. 16. Minnesota Statutes 2005 Supplement, section 125A.79, subdivision 1, is
 15.32 amended to read:

16.1 Subdivision 1. **Definitions.** For the purposes of this section, the definitions in this
 16.2 subdivision apply.

16.3 (a) "Unreimbursed special education cost" means the sum of the following:

16.4 (1) expenditures for teachers' salaries, contracted services, supplies, equipment, and
 16.5 transportation services eligible for revenue under section 125A.76; plus

16.6 (2) expenditures for tuition bills received under sections 125A.03 to 125A.24 and
 16.7 125A.65 for services eligible for revenue under section 125A.76, subdivision 2; minus

16.8 (3) revenue for teachers' salaries, contracted services, supplies, and equipment under
 16.9 section 125A.76; minus

16.10 (4) tuition receipts under sections 125A.03 to 125A.24 and 125A.65 for services
 16.11 eligible for revenue under section 125A.76, subdivision 2.

16.12 (b) "General revenue" means the sum of the general education revenue according to
 16.13 section 126C.10, subdivision 1, ~~as adjusted according to section 127A.47, subdivisions~~
 16.14 ~~7 and 8~~ excluding alternative teacher compensation revenue, plus the total qualifying
 16.15 referendum revenue specified in paragraph (e) minus transportation sparsity revenue
 16.16 minus total operating capital revenue.

16.17 (c) "Average daily membership" has the meaning given it in section 126C.05.

16.18 (d) "Program growth factor" means 1.02 for fiscal year 2003, and 1.0 for fiscal
 16.19 year 2004 and later.

16.20 (e) "Total qualifying referendum revenue" means two-thirds of the district's total
 16.21 referendum revenue as adjusted according to section 127A.47, subdivision 7, paragraphs
 16.22 (a), (b), and (c), for fiscal year 2006, one-third of the district's total referendum revenue
 16.23 for fiscal year 2007, and none of the district's total referendum revenue for fiscal year
 16.24 2008 and later.

16.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2006.

16.26 Sec. 17. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 31,
 16.27 is amended to read:

16.28 Subd. 31. **Transition revenue.** (a) A district's transition allowance equals the
 16.29 greater of zero or the product of the ratio of the number of adjusted marginal cost pupil
 16.30 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002
 16.31 to the district's adjusted marginal cost pupil units for fiscal year 2004, times the difference
 16.32 between: (1) the lesser of the district's general education revenue per adjusted marginal
 16.33 cost pupil unit for fiscal year 2003 or the amount of general education revenue the district
 16.34 would have received per adjusted marginal cost pupil unit for fiscal year 2004 according
 16.35 to Minnesota Statutes 2002, and (2) the district's general education revenue for fiscal year

17.1 2004 excluding transition revenue divided by the number of adjusted marginal cost pupil
17.2 units the district would have counted for fiscal year 2004 under Minnesota Statutes 2002.

17.3 (b) A district's transition revenue for fiscal year 2006 and later equals the sum of (1)
17.4 the product of the district's transition allowance times the district's adjusted marginal cost
17.5 pupil units plus (2) the amount of referendum revenue under section 126C.17 and general
17.6 education revenue, excluding transition revenue, for fiscal year 2004 attributable to pupils
17.7 four or five years of age on September 1, 2003, enrolled in a prekindergarten program
17.8 implemented by the district before July 1, 2003, and reported as kindergarten pupils under
17.9 section 126C.05, subdivision 1, for fiscal year 2004, plus (3) the amount of compensatory
17.10 education revenue under subdivision 3 for fiscal year 2005 attributable to pupils four years
17.11 of age on September 1, 2003, enrolled in a prekindergarten program implemented by the
17.12 district before July 1, 2003, and reported as kindergarten pupils under section 126C.05,
17.13 subdivision 1, for fiscal year 2004 ~~multiplied by .04~~.

17.14 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2006.

17.15 Sec. 18. Minnesota Statutes 2005 Supplement, section 126C.10, subdivision 34,
17.16 is amended to read:

17.17 Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal year 2006,
17.18 the basic alternative teacher compensation aid for a school district or an intermediate
17.19 school district with a plan approved under section 122A.414, subdivision 2b, equals the
17.20 alternative teacher compensation revenue under section 122A.415, subdivision 1. The
17.21 basic alternative teacher compensation aid for a charter school with an approved plan
17.22 under section 122A.414, subdivision 2b, equals \$260 times the number of pupils enrolled
17.23 in the school on October 1 of the previous school year, or on October 1 of the current
17.24 fiscal year for a charter school in the first year of operation.

17.25 (b) For fiscal year 2007 ~~and later~~, the basic alternative teacher compensation aid
17.26 for a school district with a plan approved under section 122A.414, subdivision 2b, equals
17.27 73.1 percent of the alternative teacher compensation revenue under section 122A.415,
17.28 subdivision 1. The basic alternative teacher compensation aid for an intermediate school
17.29 district or charter school with a plan approved under section 122A.414, subdivisions 2a
17.30 and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled
17.31 in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal
17.32 year for a charter school in the first year of operation, times the ratio of the sum of the
17.33 alternative teacher compensation aid and alternative teacher compensation levy for all
17.34 participating school districts to the maximum alternative teacher compensation revenue
17.35 for those districts under section 122A.415, subdivision 1.

18.1 (c) For fiscal year 2008 and later, the basic alternative teacher compensation aid for
18.2 a school district with a plan approved under section 122A.414, subdivision 2b, equals the
18.3 alternative teacher compensation revenue under section 122A.415, subdivision 1, minus
18.4 \$69.94 times the number of pupils enrolled at participating sites on October 1 of the
18.5 previous fiscal year. The basic alternative teacher compensation aid for an intermediate
18.6 school district or charter school with a plan approved under section 122A.414, subdivisions
18.7 2a and 2b, if the recipient is a charter school, equals \$260 times the ratio of the formula
18.8 allowance for the current fiscal year to the formula allowance for fiscal year 2007 times
18.9 the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on
18.10 October 1 of the current fiscal year for a charter school in the first year of operation, times
18.11 the ratio of the sum of the alternative teacher compensation aid and alternative teacher
18.12 compensation levy for all participating school districts to the maximum alternative teacher
18.13 compensation revenue for those districts under section 122A.415, subdivision 1.

18.14 (d) Notwithstanding paragraphs (a) and, (b), and (c) and section 122A.415,
18.15 subdivision 1, the state total basic alternative teacher compensation aid entitlement must
18.16 not exceed \$19,329,000 for fiscal year 2006 and, \$75,636,000 for fiscal year 2007, and
18.17 \$75,636,000 times the ratio of the formula allowance for the current fiscal year to the
18.18 formula allowance for fiscal year 2008 and later. The commissioner must limit the amount
18.19 of alternative teacher compensation aid approved under ~~section~~ sections 122A.415 and
18.20 122A.416 so as not to exceed these limits.

18.21 Sec. 19. Minnesota Statutes 2004, section 127A.41, subdivision 2, is amended to read:

18.22 Subd. 2. **Errors in distribution.** On determining that the amount of state aid
18.23 distributed to a school district is in error, the commissioner is authorized to adjust the
18.24 amount of aid consistent with this subdivision. On determining that the amount of aid is
18.25 in excess of the school district's entitlement, the commissioner is authorized to recover
18.26 the amount of the excess by any appropriate means. Notwithstanding the fiscal years
18.27 designated by the appropriation, the excess may be recovered by reducing future aid
18.28 payments to the district. Notwithstanding any law to the contrary, if the aid reduced is not
18.29 of the same type as that overpaid, the district must adjust all necessary financial accounts
18.30 to properly reflect all revenues earned in accordance with the uniform financial accounting
18.31 and reporting standards pursuant to sections 123B.75 to 123B.83. Notwithstanding the
18.32 fiscal years designated by the appropriation, on determining that the amount of an aid paid
18.33 is less than the school district's entitlement, the commissioner is authorized to increase
18.34 such aid from the current appropriation. If the aid program has been discontinued and has
18.35 no appropriation, the appropriation for general education shall be used for recovery or

19.1 payment of the aid decrease or increase. Any excess of aid recovery over aid payment
19.2 shall be cancelled to the state general fund.

19.3 Sec. 20. Laws 2005, First Special Session chapter 5, article 1, section 47, is amended
19.4 to read:

19.5 **Sec. 47. ALTERNATIVE TEACHER COMPENSATION REVENUE**
19.6 **GUARANTEE.**

19.7
19.8 Notwithstanding Minnesota Statutes, sections 122A.415, subdivision 1, and
19.9 126C.10, subdivision 34, paragraphs (a) and (b), a school district that received alternative
19.10 teacher compensation aid for fiscal year 2005, but does not qualify for alternative
19.11 teacher compensation revenue for all sites in the district for fiscal year 2006 ~~or~~, 2007,
19.12 2008, or 2009, shall receive additional basic alternative teacher compensation aid for
19.13 that fiscal year equal to the lesser of the amount of alternative teacher compensation
19.14 aid it received for fiscal year 2005 or the amount it would have received for that fiscal
19.15 year under Minnesota Statutes 2004, section 122A.415, subdivision 1, for teachers at
19.16 sites not qualifying for alternative teacher compensation revenue for that fiscal year, if
19.17 the district submits a timely application and the commissioner determines that the district
19.18 continues to implement an alternative teacher compensation system, consistent with its
19.19 application under Minnesota Statutes 2004, section 122A.415, for fiscal year 2005. The
19.20 additional basic alternative teacher compensation aid under this section must not be used
19.21 in calculating the alternative teacher compensation levy under Minnesota Statutes, section
19.22 126C.10, subdivision 35. This section applies only to fiscal years 2006 ~~and 2007~~ through
19.23 2009 and does not apply to later fiscal years.

19.24 **Sec. 21. GRANTS FOR INTENSIVE ENGLISH INSTRUCTION FOR ADULT**
19.25 **REFUGEES.**

19.26 The commissioner of education shall establish a reimbursement grant program
19.27 to fund intensive English as a second language (ESL) programs for adult refugees.
19.28 Intensive ESL programming must provide intensive instruction for adult refugees who
19.29 are making inadequate literacy progress as measured by a standard assessment test. The
19.30 intensive instruction must be focused on participants gaining sufficient literacy to achieve
19.31 self-sufficiency through employment. Organizations eligible for grants under this section
19.32 include adult basic education programs, school districts, postsecondary institutions,
19.33 and nonprofit or community-based organizations or other private organizations with
19.34 experience in providing English language instruction to non-English speaking immigrants

20.1 and refugees. Grant applications must be in the form and manner determined by the
 20.2 commissioner. At a minimum, the application must document experience in literacy
 20.3 programs serving immigrants and refugees, describe fiscal accounting systems and
 20.4 reporting capacity, ensure that administrative expenses are limited to five percent of grant
 20.5 funds, and provide a description of the proposed instructional services and training plans.
 20.6 Funds must be paid to programs on a reimbursement basis.

20.7 Sec. 22. **CHINESE LANGUAGE PROGRAMS; CURRICULUM**
 20.8 **DEVELOPMENT PROJECT.**

20.9 Subdivision 1. Project parameters. (a) Notwithstanding other law to the contrary,
 20.10 the commissioner of education may contract with the Board of Regents of the University
 20.11 of Minnesota, the Center for Advanced Research on Language Acquisition (CARLA) or
 20.12 other entity the commissioner determines is qualified to undertake the development of an
 20.13 articulated K-12 Chinese curriculum for Minnesota schools that involves:

20.14 (1) creating a network of Chinese teachers and educators able to develop new and
 20.15 modify or expand existing world languages K-12 curricula, materials, assessments, and
 20.16 best practices needed to provide Chinese language instruction to students; and

20.17 (2) coordinating statewide efforts to develop and expand Chinese language
 20.18 instruction so that it is uniformly available to students throughout the state, and making
 20.19 innovative use of media and technology, including television, distance learning, and online
 20.20 courses to broaden students' access to the instruction.

20.21 (b) The entity with which the commissioner contracts under paragraph (a) must have
 20.22 sufficient knowledge and expertise to ensure the professional development of appropriate,
 20.23 high quality curricula, supplementary materials, aligned assessments, and best practices
 20.24 that accommodate different levels of student ability and types of programs.

20.25 (c) Project participants must:

20.26 (1) work throughout the project to develop curriculum, supplementary materials,
 20.27 aligned assessments, and best practices; and

20.28 (2) make curriculum, supplementary materials, aligned assessments, and best
 20.29 practices equitably available to Minnesota schools and students.

20.30 Subd. 2. Project participants. The entity with which the commissioner contracts
 20.31 must work with the network of Chinese teachers and educators to:

20.32 (1) conduct an inventory of Chinese language curricula, supplementary materials,
 20.33 and professional development initiatives currently used in Minnesota or other states;

20.34 (2) develop Chinese language curricula and benchmarks aligned to local world
 20.35 language standards and classroom-based assessments; and

21.1 (3) review and recommend to the commissioner how best to build an educational
 21.2 infrastructure to provide more students with Chinese language instruction, including
 21.3 how to develop and provide: an adequate supply of Chinese language teachers; an
 21.4 adequate number of high quality school programs; appropriate curriculum, instructional
 21.5 materials, and aligned assessments that include technology-based delivery systems;
 21.6 teacher preparation programs to train Chinese language teachers; expedited licensing of
 21.7 Chinese language teachers; best practices in existing educational programs that can be
 21.8 used to establish K-12 Chinese language programs; and technical assistance resources.

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

21.10 **Sec. 23. DISTRICT AND HIGH SCHOOL REDESIGN PILOT PROJECT.**

21.11 (a) The commissioner of education shall establish a pilot project to provide grants
 21.12 to school districts to examine ways to redesign school districts and high schools to
 21.13 increase student academic achievement and promote innovation to more effectively serve
 21.14 students. A school district shall apply for a grant in the form and manner determined by
 21.15 the commissioner.

21.16 (b) The commissioner shall award at least five grants to school districts to develop
 21.17 redesign models to accomplish systemic changes and promote innovation in education
 21.18 that may include:

21.19 (1) redesigning mathematics and science courses and curriculum;

21.20 (2) increasing the availability of and student access to rigorous curriculum and
 21.21 courses;

21.22 (3) redesigning instruction including the use of best practices, district and school
 21.23 curriculum, and achievement for all students;

21.24 (4) redesigning teacher training and professional development in the science,
 21.25 technology, engineering, and mathematics disciplines;

21.26 (5) redesigning the delivery of instruction for career and technical education
 21.27 programs;

21.28 (6) providing innovative year-round school attendance options;

21.29 (7) providing a variety of online learning and technologically enhanced learning
 21.30 opportunities; and

21.31 (8) other innovative ways to redesign how services are organized and provided in
 21.32 school districts and high schools to maximize student academic achievement.

21.33 (c) To the extent practicable, the commissioner shall use geographic balance
 21.34 to award grants. At least two grant recipients must be from school districts in the

22.1 seven-county metropolitan area, including one urban and one suburban district, and three
22.2 grants from outside the metropolitan area.

22.3 (d) A grant recipient must submit a model redesign plan to the commissioner in a
22.4 manner determined by the commissioner.

22.5 **Sec. 24. WASECA LEVY; APPROPRIATION.**

22.6 Independent School District No. 829, Waseca, may levy up to \$343,550 beginning
22.7 in 2006 over five years for health and safety revenue lost due to miscalculation. \$316,000
22.8 is appropriated to the commissioner of education for payment of the aid portion of lost
22.9 revenue. If the district does not levy the full amount authorized within the five year period,
22.10 other state aid due to the district shall be reduced proportionately.

22.11 **Sec. 25. APPROPRIATIONS.**

22.12 Subdivision 1. Department of Education. The sums indicated in this section are
22.13 appropriated from the general fund to the Department of Education for the fiscal years
22.14 designated.

22.15 Subd. 2. AP and IB increased student participation. For the increased
22.16 participation of students in advanced placement and international baccalaureate programs
22.17 under Minnesota Statutes, section 120B.132:

22.18 \$ 7,319,000 2007

22.19 Subd. 3. District and high school redesign pilot project. For the district and high
22.20 school redesign pilot project under section 23:

22.21 \$ 5,000,000 2007

22.22 Subd. 4. Teach for Minnesota and alternative teacher training. For the teach for
22.23 Minnesota program under Minnesota Statutes, section 122A.246, and alternative teacher
22.24 training program for qualified professionals under Minnesota Statutes, section 122A.245:

22.25 \$ 500,000 2007

22.26 Subd. 5. Intensive English instruction for refugees. For a grant program for
22.27 intensive English instruction for adult refugees under section 21:

22.28 \$ 1,000,000 2007

23.1 This appropriation does not cancel but is available to June 30, 2009. The base for
23.2 this program in fiscal year 2009 and later is \$0.

3 Subd. 6. Chinese language. For the Chinese language curriculum project under
23.4 section 22:

23.5 \$ 250,000 2007

23.6 Subd. 7. Early childhood Part C. For the expansion of early childhood Part C
23.7 services:

23.8 \$ 1,049,000 2007

23.9 Subd. 8. Early childhood screening. For aid to districts screening kindergarten
23.10 children:

23.11 \$ 89,000 2006

23.12 \$ 54,000 2007

23.13 This appropriation is to provide aid to school districts for children screened after
23.14 entering kindergarten under Minnesota Statutes, section 121A.17, subdivision 2.

23.15 Subd. 9. Prekindergarten program transition revenue. For transition revenue for
23.16 modifications to prekindergarten programs:

23.17 \$ \$968,000 2006

23.18 \$ 851,000 2007

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

23.20 Sec. 26. REPEALER.

23.21 Minnesota Statutes 2004, section 122A.24, is repealed.

122A.24 ALTERNATIVE PREPARATION LICENSING FOR TEACHERS.

Subdivision 1. **Requirements.** (a) A preparation program that is an alternative to the postsecondary teacher preparation program as a means to acquire an entrance license is established. The program may be offered in any instructional field.

(b) To participate in the alternative preparation program, the candidate must:

- (1) have a bachelor's degree;
- (2) pass an examination of skills in reading, writing, and mathematics as required by section 122A.18;
- (3) have been offered a job to teach in a school district, group of districts, or an education district approved by the Board of Teaching to offer an alternative preparation licensure program;
- (4)(i) have a college major in the subject area to be taught; or
(ii) have five years of experience in a field related to the subject to be taught; and
- (5) document successful experiences working with children.

(c) An alternative preparation license is of one year duration and is issued by the Board of Teaching to participants on admission to the alternative preparation program.

(d) The Board of Teaching must ensure that one of the purposes of this program is to enhance the school desegregation/integration policies adopted by the state.

Subd. 2. **Characteristics.** The alternative preparation program has the following characteristics:

- (1) staff development conducted by a resident mentorship team made up of administrators, teachers, and postsecondary faculty members;
- (2) an instruction phase involving intensive preparation of a candidate for licensure before the candidate assumes responsibility for a classroom;
- (3) formal instruction and peer coaching during the school year;
- (4) assessment, supervision, and evaluation of a candidate to determine the candidate's specific needs and to ensure satisfactory completion of the program;
- (5) a research based and results oriented approach focused on skills teachers need to be effective;
- (6) assurance of integration of education theory and classroom practices; and
- (7) the shared design and delivery of staff development between school district personnel and postsecondary faculty.

Subd. 3. **Program approval.** (a) The Board of Teaching must approve alternative preparation programs based on criteria adopted by the board.

(b) The board shall permit demonstration of licensure competencies in school-based and other nontraditional pathways to teacher licensure.

Subd. 4. **Approval for standard entrance license.** The resident mentorship team must prepare for the Board of Teaching an evaluation report on the performance of the alternative preparation licensee during the school year and a positive or negative recommendation on whether the alternative preparation licensee shall receive a standard entrance license.

Subd. 5. **Standard entrance license.** The Board of Teaching must issue a standard entrance license to an alternative preparation licensee who has successfully completed the school year in the alternative preparation program and who has received a positive recommendation from the licensee's mentorship team.

Subd. 6. **Qualified teacher.** A person with a valid alternative preparation license is a qualified teacher within the meaning of section 122A.16.

Senators Kelley and Stumpf introduced—

S.F. No. 2994: Referred to the Committee on Education.

1.1 A bill for an act
 1.2 relating to education; providing for general education revenue, education
 1.3 excellence, special programs, nutrition and accounting, self-sufficiency and
 1.4 lifelong learning, and state agencies; authorizing rulemaking; appropriating
 1.5 money; amending Minnesota Statutes 2004, sections 119A.50, subdivision 1;
 1.6 119A.52; 119A.53; 119A.545; 120A.20, subdivision 1; 120A.22, subdivision
 1.7 3; 120B.023; 123A.06, subdivision 2; 124D.10, subdivision 16; 124D.518,
 1.8 subdivision 4; 124D.52, subdivision 1; 124D.61; 124D.68, subdivision 3;
 1.9 125A.091, subdivisions 5, 7, 9, 10, 12, 13, 14, 15, 19, 20; 125A.27, subdivision
 1.10 11; 125A.29; 125A.30; 125A.32; 125A.33; 125A.48; 125A.515, subdivisions
 1.11 1, 3, 5, 6, 7, 9, 10; 125A.63, subdivision 4; 125A.69, subdivision 3; 125A.75,
 1.12 subdivision 1; 126C.05, subdivision 1; 126C.10, subdivision 6; 126C.44;
 1.13 Minnesota Statutes 2005 Supplement, sections 120B.131, subdivision 2;
 1.14 121A.53, subdivision 1; 122A.415, subdivisions 1, 3; 123B.76, subdivision
 1.15 3; 124D.095, subdivision 4; 124D.68, subdivision 2; 125A.11, subdivision 1;
 1.16 125A.28; 126C.43, subdivision 2; 127A.45, subdivision 10; Laws 2005, First
 1.17 Special Session chapter 5, article 2, sections 81; 84, subdivision 13; article 7,
 1.18 section 20, subdivision 5; proposing coding for new law in Minnesota Statutes,
 1.19 chapter 119A; repealing Minnesota Statutes 2004, sections 119A.51; 120A.20,
 1.20 subdivision 3; 123B.10; 125A.10; 125A.515, subdivision 2.

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

1.22 **ARTICLE 1**
 1.23 **GENERAL EDUCATION REVENUE**

1.24 Section 1. Minnesota Statutes 2004, section 120A.20, subdivision 1, is amended to
 1.25 read:

1.26 Subdivision 1. **Age limitations; pupils.** (a) All schools supported in whole or
 1.27 in part by state funds are public schools. Admission to a public school is free to any
 1.28 person who: (1) resides within the district that operates the school; ~~who~~; (2) is under 21
 1.29 years of age; or who meet the requirements of paragraph (c); and ~~who~~ (3) satisfies the
 1.30 minimum age requirements imposed by this section. Notwithstanding the provisions of

2.1 any law to the contrary, the conduct of all ~~students under 21 years of age~~ pupils attending a
 2.2 public secondary school is governed by a single set of reasonable rules and regulations
 2.3 promulgated by the school board.

2.4 ~~No~~ (b) A person shall not be admitted to ~~any~~ a public school (1) as a kindergarten
 2.5 pupil, unless the pupil is at least five years of age on September 1 of the calendar year in
 2.6 which the school year for which the pupil seeks admission commences; or (2) as a 1st
 2.7 grade student, unless the pupil is at least six years of age on September 1 of the calendar
 2.8 year in which the school year for which the pupil seeks admission commences or has
 2.9 completed kindergarten; except that any school board may establish a policy for admission
 2.10 of selected pupils at an earlier age.

2.11 (c) A pupil who becomes age 21 after enrollment is eligible for continued enrollment
 2.12 until at least one of the following occurs: (1) the first September 1 after the pupil's
 2.13 21st birthday; (2) the pupil's completion of the graduation requirements; (3) the pupil's
 2.14 withdrawal with no subsequent enrollment within 21 calendar days; or (4) the end of
 2.15 the school year.

2.16 Sec. 2. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 1, is
 2.17 amended to read:

2.18 Subdivision 1. **Revenue amount.** (a) A school district, intermediate school district,
 2.19 school site, or charter school that meets the conditions of section 122A.414 and submits an
 2.20 application approved by the commissioner is eligible for alternative teacher compensation
 2.21 revenue.

2.22 (b) For school district and intermediate school district applications, the commissioner
 2.23 must consider only those applications to participate that are submitted jointly by a
 2.24 district and the exclusive representative of the teachers. The application must contain an
 2.25 alternative teacher professional pay system agreement that:

2.26 (1) implements an alternative teacher professional pay system consistent with
 2.27 section 122A.414; and

2.28 (2) is negotiated and adopted according to the Public Employment Labor Relations
 2.29 Act under chapter 179A, except that notwithstanding section 179A.20, subdivision 3, a
 2.30 district may enter into a contract for a term of two or four years.

2.31 Alternative teacher compensation revenue for a qualifying school district or site in
 2.32 which the school board and the exclusive representative of the teachers agree to place
 2.33 teachers in the district or at the site on the alternative teacher professional pay system
 2.34 equals \$260 times the number of pupils enrolled at the district or site on October 1 of
 2.35 the previous fiscal year. Alternative teacher compensation revenue for a qualifying

3.1 intermediate school district must be calculated under section 126C.10, subdivision 34,
3.2 paragraphs (a) and (b).

3.3 (c) For a newly combined or consolidated district, the revenue shall be computed
3.4 using the sum of pupils enrolled on October 1 of the previous year in the districts entering
3.5 into the combination or consolidation. The commissioner may adjust the revenue
3.6 computed for a site using prior year data to reflect changes attributable to school closings,
3.7 school openings, or grade level reconfigurations between the prior year and the current
3.8 year.

3.9 (d) The revenue is available only to school districts, intermediate school districts,
3.10 school sites, and charter schools that fully implement an alternative teacher professional
3.11 pay system by October 1 of the current school year.

3.12 (e) The revenue must be maintained in a reserve account within the general fund.

3.13 Sec. 3. Minnesota Statutes 2005 Supplement, section 122A.415, subdivision 3, is
3.14 amended to read:

3.15 Subd. 3. **Revenue timing.** (a) Districts, intermediate school districts, school sites,
3.16 or charter schools with approved applications must receive alternative compensation
3.17 revenue for each school year that the district, intermediate school district, school site,
3.18 or charter school implements an alternative teacher professional pay system under this
3.19 subdivision and section 122A.414. For fiscal year 2007 and later, a qualifying district,
3.20 intermediate school district, school site, or charter school that received alternative teacher
3.21 compensation aid for the previous fiscal year must receive at least an amount of alternative
3.22 teacher compensation revenue equal to the lesser of the amount it received for the previous
23 fiscal year or the amount it qualifies for under subdivision 1 for the current fiscal year if
3.24 the district, intermediate school district, school site, or charter school submits a timely
3.25 application and the commissioner determines that the district, intermediate school district,
3.26 school site, or charter school continues to implement an alternative teacher professional
3.27 pay system, consistent with its application under this section.

3.28 (b) The commissioner shall approve applications that comply with subdivision 1,
3.29 and section 122A.414, subdivisions 2, paragraph (b), and 2a, if the applicant is a charter
3.30 school, in the order in which they are received, select applicants that qualify for this
3.31 program, notify school districts, intermediate school districts, school sites, and charter
3.32 schools about the program, develop and disseminate application materials, and carry out
3.33 other activities needed to implement this section.

3.34 (c) For applications approved under this section before August 1 of the fiscal year for
3.35 which the aid is paid, the portion of the state total basic alternative teacher compensation

4.1 aid entitlement allocated to charter schools must not exceed \$522,000 for fiscal year 2006
4.2 and \$3,374,000 for fiscal year 2007. For fiscal year 2008 and later, the portion of the state
4.3 total basic alternative teacher compensation aid entitlement allocated to charter schools
4.4 must not exceed the product of \$3,374,000 times the ratio of the state total charter school
4.5 enrollment for the previous fiscal year to the state total charter school enrollment for ~~the~~
4.6 ~~second previous year~~ fiscal year 2006. Additional basic alternative teacher compensation
4.7 aid may be approved for charter schools after August 1, not to exceed the charter school
4.8 limit for the following fiscal year, if the basic alternative teacher compensation aid
4.9 entitlement for school districts and intermediate school districts based on applications
4.10 approved by August 1 does not expend the remaining amount under the limit.

4.11 Sec. 4. Minnesota Statutes 2004, section 123A.06, subdivision 2, is amended to read:

4.12 Subd. 2. **People to be served.** A center shall provide programs for secondary
4.13 pupils and adults. A center may also provide programs and services for elementary and
4.14 secondary pupils who are not attending the center to assist them in being successful in
4.15 school. A center shall use research-based best practices for serving limited English
4.16 proficient students and their parents. An individual education plan team may identify a
4.17 center as an appropriate placement to the extent a center can provide the student with the
4.18 appropriate special education services described in the student's plan. Pupils eligible
4.19 to be served are those ~~age five to adults 22 and older~~ in kindergarten through grade 12
4.20 who qualify under the graduation incentives program in section 124D.68, subdivision
4.21 2, or those pupils who are eligible to receive special education services under sections
4.22 125A.03 to 125A.24, and 125A.65.

4.23 Sec. 5. Minnesota Statutes 2005 Supplement, section 123B.76, subdivision 3, is
4.24 amended to read:

4.25 Subd. 3. **Expenditures by building.** (a) For the purposes of this section, "building"
4.26 means education site as defined in section 123B.04, subdivision 1.

4.27 (b) Each district shall maintain separate accounts to identify general fund
4.28 expenditures for each building. All expenditures for regular instruction, secondary
4.29 vocational instruction, and school administration must be reported to the department
4.30 separately for each building. All expenditures for special education instruction,
4.31 instructional support services, and pupil support services provided within a specific
4.32 building must be reported to the department separately for each building. Salary
4.33 expenditures reported by building must reflect actual salaries for staff at the building and

5.1 must not be based on districtwide averages. All other general fund expenditures may be
5.2 reported by building or on a districtwide basis.

5.3 (c) The department must annually report information showing school district general
5.4 fund expenditures per pupil by program category for each building and estimated school
5.5 district general fund revenue generated by pupils attending each building on its Web
5.6 site. For purposes of this report:

5.7 (1) expenditures not reported by building shall be allocated among buildings on a
5.8 uniform per pupil basis;

5.9 (2) basic skills revenue shall be allocated according to section 126C.10, subdivision
5.10 4;

5.11 (3) secondary sparsity revenue and elementary sparsity revenue shall be allocated
5.12 according to section 126C.10, subdivisions 7 and 8;

5.13 (4) alternative teacher compensation revenue shall be allocated according to section
5.14 122A.415, subdivision 1;

5.15 (5) other general education revenue shall be allocated on a uniform per pupil unit
5.16 basis;

5.17 ~~(5)~~ (6) first grade preparedness aid shall be allocated according to section 124D.081;

5.18 ~~(6)~~ (7) state and federal special education aid and Title I aid shall be allocated in
5.19 proportion to district expenditures for these programs by building; and

5.20 ~~(7)~~ (8) other general fund revenues shall be allocated on a uniform per pupil basis,
5.21 except that the department may allocate other revenues attributable to specific buildings
5.22 directly to those buildings.

5.23 Sec. 6. Minnesota Statutes 2005 Supplement, section 124D.68, subdivision 2, is
5.24 amended to read:

5.25 Subd. 2. **Eligible pupils.** ~~The following pupils are~~ A pupil under the age of 21 or
5.26 who meets the requirements of section 120A.20, subdivision 1, paragraph (c), is eligible to
5.27 participate in the graduation incentives program:

5.28 ~~(a) any pupil under the age of 21 who, if the pupil:~~

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

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

5.33 (3) is pregnant or is a parent;

5.34 (4) has been assessed as chemically dependent;

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

- 6.1 (6) has been referred by a school district for enrollment in an eligible program or
6.2 a program pursuant to section 124D.69;
- 6.3 (7) is a victim of physical or sexual abuse;
- 6.4 (8) has experienced mental health problems;
- 6.5 (9) has experienced homelessness sometime within six months before requesting a
6.6 transfer to an eligible program;
- 6.7 (10) speaks English as a second language or has limited English proficiency; or
- 6.8 (11) has withdrawn from school or has been chronically truant; ~~or,~~
- 6.9 ~~(b) any person who is at least 21 years of age and who:~~
- 6.10 ~~(1) has received fewer than 14 years of public or nonpublic education, beginning~~
6.11 ~~at age 5;~~
- 6.12 ~~(2) has not completed the requirements for a high school diploma; and~~
- 6.13 ~~(3) at the time of application, (i) is eligible for unemployment benefits or has~~
6.14 ~~exhausted the benefits, (ii) is eligible for, or is receiving income maintenance and support~~
6.15 ~~services, as defined in section 116L.19, subdivision 5, or (iii) is eligible for services under~~
6.16 ~~the displaced homemaker program or any programs under the federal Jobs Training~~
6.17 ~~Partnership Act or its successor.~~

6.18 Sec. 7. Minnesota Statutes 2004, section 124D.68, subdivision 3, is amended to read:

6.19 Subd. 3. **Eligible programs.** (a) A pupil who is eligible according to subdivision 2
6.20 may enroll in area learning centers under sections 123A.05 to 123A.08.

6.21 (b) A pupil who is eligible according to subdivision 2 and who is between the ages
6.22 of 16 and 21 may enroll in postsecondary courses under section 124D.09.

6.23 (c) A pupil who is eligible under subdivision 2, may enroll in any public elementary
6.24 or secondary education program. ~~However, a person who is eligible according to~~
6.25 ~~subdivision 2, clause (b), may enroll only if the school board has adopted a resolution~~
6.26 ~~approving the enrollment.~~

6.27 (d) A pupil who is eligible under subdivision 2, may enroll in any nonpublic,
6.28 nonsectarian school that has contracted with the serving school district to provide
6.29 educational services.

6.30 (e) A pupil who is between the ages of 16 and 21 may enroll in any adult basic
6.31 education programs approved under section 124D.52 and operated under the community
6.32 education program contained in section 124D.19.

6.33 Sec. 8. Minnesota Statutes 2004, section 126C.05, subdivision 1, is amended to read:

7.1 Subdivision 1. **Pupil unit.** Pupil units for each Minnesota resident pupil under the
7.2 age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph
7.3 (c), in average daily membership enrolled in the district of residence, in another district
7.4 under sections 123A.05 to 123A.08, 124D.03, 124D.06, 124D.07, 124D.08, or 124D.68;
7.5 in a charter school under section 124D.10; or for whom the resident district pays tuition
7.6 under section 123A.18, 123A.22, 123A.30, 123A.32, 123A.44, 123A.488, 123B.88,
7.7 subdivision 4, 124D.04, 124D.05, 125A.03 to 125A.24, 125A.51, or 125A.65, shall be
7.8 counted according to this subdivision.

7.9 (a) A prekindergarten pupil with a disability who is enrolled in a program approved
7.10 by the commissioner and has an individual education plan is counted as the ratio of the
7.11 number of hours of assessment and education service to 825 times 1.25 with a minimum
7.12 average daily membership of 0.28, but not more than 1.25 pupil units.

7.13 (b) A prekindergarten pupil who is assessed but determined not to be handicapped is
7.14 counted as the ratio of the number of hours of assessment service to 825 times 1.25.

7.15 (c) A kindergarten pupil with a disability who is enrolled in a program approved
7.16 by the commissioner is counted as the ratio of the number of hours of assessment and
7.17 education services required in the fiscal year by the pupil's individual education program
7.18 plan to 875, but not more than one.

7.19 (d) A kindergarten pupil who is not included in paragraph (c) is counted as .557 of a
7.20 pupil unit for fiscal year 2000 and thereafter.

7.21 (e) A pupil who is in any of grades 1 to 3 is counted as 1.115 pupil units for fiscal
7.22 year 2000 and thereafter.

7.23 (f) A pupil who is any of grades 4 to 6 is counted as 1.06 pupil units for fiscal
7.24 year 1995 and thereafter.

7.25 (g) A pupil who is in any of grades 7 to 12 is counted as 1.3 pupil units.

7.26 (h) A pupil who is in the postsecondary enrollment options program is counted
7.27 as 1.3 pupil units.

7.28 Sec. 9. Minnesota Statutes 2004, section 126C.10, subdivision 6, is amended to read:

7.29 Subd. 6. **Definitions.** The definitions in this subdivision apply only to subdivisions
7.30 7 and 8.

7.31 (a) "High school" means a public secondary school, except a charter school under
7.32 section 124D.10, that has pupils enrolled in at least the 10th, 11th, and 12th grades. If
7.33 there is no secondary high school in the district that has pupils enrolled in at least the
7.34 10th, 11th, and 12th grades, and the school is at least 19 miles from the next nearest

8.1 school, the commissioner must designate one school in the district as a high school for the
8.2 purposes of this section.

8.3 (b) "Secondary average daily membership" means, for a district that has only one
8.4 high school, the average daily membership of pupils served in grades 7 through 12. For a
8.5 district that has more than one high school, "secondary average daily membership" for
8.6 each high school means the product of the average daily membership of pupils served in
8.7 grades 7 through 12 in the high school, times the ratio of six to the number of grades
8.8 in the high school.

8.9 (c) "Attendance area" means the total surface area of the district, in square miles,
8.10 divided by the number of high schools in the district. For a district that does not operate
8.11 a high school and is less than 19 miles from the nearest operating high school, the
8.12 attendance area equals zero.

8.13 (d) "Isolation index" for a high school means the square root of 55 percent of the
8.14 attendance area plus the distance in miles, according to the usually traveled routes,
8.15 between the high school and the nearest high school. For a district in which there is located
8.16 land defined in section 84A.01, 84A.20, or 84A.31, the distance in miles is the sum of:

8.17 (1) the square root of one-half of the attendance area; and

8.18 (2) the distance from the border of the district to the nearest high school.

8.19 (e) "Qualifying high school" means a high school that has an isolation index greater
8.20 than 23 and that has secondary average daily membership of less than 400.

8.21 (f) "Qualifying elementary school" means an a public elementary school, except a
8.22 charter school under section 124D.10, that is located 19 miles or more from the nearest
8.23 elementary school or from the nearest elementary school within the district and, in either
8.24 case, has an elementary average daily membership of an average of 20 or fewer per grade.

8.25 (g) "Elementary average daily membership" means, for a district that has only
8.26 one elementary school, the average daily membership of pupils served in kindergarten
8.27 through grade 6. For a district that has more than one elementary school, "average daily
8.28 membership" for each school means the average daily membership of pupils served in
8.29 kindergarten through grade 6 multiplied by the ratio of seven to the number of grades
8.30 in the elementary school.

8.31 Sec. 10. Minnesota Statutes 2005 Supplement, section 126C.43, subdivision 2, is
8.32 amended to read:

8.33 Subd. 2. **Payment to unemployment insurance program trust fund by state**
8.34 **and political subdivisions.** (a) A district may levy the amount necessary ~~(i)~~ (1) to pay
8.35 the district's obligations under section 268.052, subdivision 1, and ~~(ii)~~ (2) to pay for job

9.1 placement services offered to employees who may become eligible for benefits pursuant
9.2 to section 268.085 for the fiscal year the levy is certified.

9.3 (b) Districts with a balance remaining in their reserve for reemployment as of June
9.4 30, 2003, may not expend the reserved funds for future reemployment expenditures. Each
9.5 year a levy reduction must be made to return these funds to taxpayers. The amount of
9.6 the levy reduction must be equal to the lesser of: (1) the remaining reserved balance for
9.7 reemployment, or (2) the amount of the district's current levy under paragraph (a).

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

9.9 Sec. 11. Minnesota Statutes 2004, section 126C.44, is amended to read:

9.10 **126C.44 SAFE SCHOOLS LEVY.**

9.11 Each district may make a levy on all taxable property located within the district for
9.12 the purposes specified in this section. The maximum amount which may be levied for all
9.13 costs under this section shall be equal to \$27 multiplied by the district's adjusted marginal
9.14 cost pupil units for the school year. The proceeds of the levy must be reserved and used
9.15 for directly funding the following purposes or for reimbursing the cities and counties who
9.16 contract with the district for the following purposes: (1) to pay the costs incurred for the
9.17 salaries, benefits, and transportation costs of peace officers and sheriffs for liaison in
9.18 services in the district's schools; (2) to pay the costs for a drug abuse prevention program
9.19 as defined in section 609.101, subdivision 3, paragraph (e), in the elementary schools; (3)
9.20 to pay the costs for a gang resistance education training curriculum in the district's schools;
9.21 (4) to pay the costs for security in the district's schools and on school property; or (5) to
9.22 pay the costs for other crime prevention, drug abuse, student and staff safety, and violence
9.23 prevention measures taken by the school district. For expenditures under clause (1), the
9.24 district must initially attempt to contract for services to be provided by peace officers or
9.25 sheriffs with the police department of each city or the sheriff's department of the county
9.26 within the district containing the school receiving the services. If a local police department
9.27 or a county sheriff's department does not wish to provide the necessary services, the
9.28 district may contract for these services with any other police or sheriff's department
9.29 located entirely or partially within the school district's boundaries. ~~The levy authorized~~
9.30 ~~under this section is not included in determining the school district's levy limitations.~~

9.31 EFFECTIVE DATE. This section is effective for revenue for fiscal year 2006.

9.32 Sec. 12. Minnesota Statutes 2005 Supplement, section 127A.45, subdivision 10,
9.33 is amended to read:

10.1 Subd. 10. **Payments to school nonoperating funds.** Each fiscal year state general
 10.2 fund payments for a district nonoperating fund must be made at the current year aid
 10.3 payment percentage of the estimated entitlement during the fiscal year of the entitlement.
 10.4 This amount shall be paid in 12 equal monthly installments. The amount of the actual
 10.5 entitlement, after adjustment for actual data, minus the payments made during the fiscal
 10.6 year of the entitlement must be paid prior to October 31 of the following school year. The
 10.7 commissioner may make advance payments of debt service equalization aid and state-paid
 10.8 tax credits for a district's debt service fund earlier than would occur under the preceding
 10.9 schedule if the district submits evidence showing a serious cash flow problem in the fund.
 10.10 The commissioner may make earlier payments during the year and, if necessary, increase
 10.11 the percent of the entitlement paid to reduce the cash flow problem.

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

10.13 Sec. 13. **REPEALER.**

10.14 Minnesota Statutes 2004, section 120A.20, subdivision 3, is repealed.

10.15 **ARTICLE 2**

10.16 **EDUCATION EXCELLENCE**

10.17 Section 1. Minnesota Statutes 2004, section 120A.22, subdivision 3, is amended to
 10.18 read:

10.19 Subd. 3. **Parent defined; residency determined.** (a) In this section and sections
 10.20 120A.24 and 120A.26, "parent" means a parent, guardian, or other person having legal
 10.21 custody of a child.

10.22 (b) In sections 125A.03 to 125A.24 and 125A.65, "parent" means a parent, guardian,
 10.23 or other person having legal custody of a child under age 18. For an unmarried pupil age
 10.24 18 or over, "parent" means the pupil unless a guardian or conservator has been appointed,
 10.25 in which case it means the guardian or conservator.

10.26 (c) For purposes of sections 125A.03 to 125A.24 and 125A.65, the school district of
 10.27 residence for an unmarried pupil age 18 or over who is a parent under paragraph (b) and
 10.28 who is placed in a center for care and treatment, shall be the school district in which the
 10.29 pupil's biological or adoptive parent or designated guardian resides.

10.30 (d) For a married pupil age 18 or over, the school district of residence is the school
 10.31 district in which the married pupil resides.

10.32 (e) If a student does not meet the residency requirements of the school district in
 10.33 which the student is attending school, the student may be removed from the school only

11.1 after receiving due process as determined by the district school board. The due process
 11.2 requirements must, at a minimum, include notice to the parent and an opportunity for the
 11.3 parent to be heard.

11.4 Sec. 2. Minnesota Statutes 2004, section 120B.023, is amended to read:

11.5 **120B.023 BENCHMARKS.**

11.6 (a) The commissioner must supplement required state academic standards with
 11.7 grade-level benchmarks. High school benchmarks may cover more than one grade. The
 11.8 benchmarks must implement statewide academic standards by specifying the academic
 11.9 knowledge and skills that schools must offer and students must achieve to satisfactorily
 11.10 complete a state standard. Benchmarks are published to inform and guide parents,
 11.11 teachers, school districts, and other interested persons and for use in developing tests
 11.12 consistent with the benchmarks.

11.13 (b) The commissioner shall publish benchmarks in the State Register and transmit
 11.14 the benchmarks in any other manner that makes them accessible to the general public. The
 11.15 commissioner may charge a reasonable fee for publications.

11.16 (c) Once established, the commissioner may change the benchmarks only with
 11.17 specific legislative authorization and after completing a review under paragraph (d).

11.18 (d) The commissioner must develop and implement a system for reviewing on a
 11.19 ~~four-year~~ six-year cycle each of the required academic standards and related benchmarks
 11.20 and elective standards beginning in the ~~2006-2007~~ 2009-2010 school year.

11.21 (e) The benchmarks are not subject to chapter 14 and section 14.386 does not apply.

11.22 Sec. 3. Minnesota Statutes 2005 Supplement, section 120B.131, subdivision 2, is
 11.23 amended to read:

11.24 Subd. 2. **Reimbursement for examination fees.** The state may reimburse
 11.25 college-level examination program (CLEP) fees for a Minnesota public high school
 11.26 student who has successfully completed one or more college-level courses in high school
 11.27 ~~and earned a satisfactory score on one or more CLEP examinations~~ in the following
 11.28 subjects: composition and literature, mathematics and science, social sciences and history,
 11.29 foreign languages, and business and humanities. The state may reimburse each ~~successful~~
 11.30 student for up to six examination fees. The commissioner shall establish application
 11.31 procedures and a process and schedule for fee reimbursements. The commissioner must
 11.32 give priority to reimburse the CLEP examination fees of students of low-income families.

12.1 Sec. 4. Minnesota Statutes 2005 Supplement, section 121A.53, subdivision 1, is
12.2 amended to read:

12.3 Subdivision 1. **Exclusions and expulsions.** The school board must report through
12.4 the department electronic reporting system each exclusion ~~or~~ expulsion, or other removal
12.5 action taken in lieu of an exclusion or expulsion within 30 days of the effective date of
12.6 the action to the commissioner of education. This report must include a statement of
12.7 alternative educational services given the pupil and the reason for, the effective date, and
12.8 the duration of the exclusion or expulsion. The report must also include the student's age,
12.9 grade, gender, race, and special education status.

12.10 Sec. 5. Minnesota Statutes 2005 Supplement, section 124D.095, subdivision 4, is
12.11 amended to read:

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

12.25 (b) An online learning student may:

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

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

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

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

13.1 ~~(d)~~ (c) An online learning student has the same access to the computer hardware
 13.2 and education software available in a school as all other students in the enrolling district.
 13.3 An online learning provider must assist an online learning student whose family qualifies
 13.4 for the education tax credit under section 290.0674 to acquire computer hardware and
 13.5 educational software for online learning purposes.

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

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

13.23 Sec. 6. Minnesota Statutes 2004, section 124D.10, subdivision 16, is amended to read:

13.24 Subd. 16. **Transportation.** (a) By July 1 of each fiscal year, a charter school must
 13.25 notify the district in which the school is located and the Department of Education if it will
 13.26 provide ~~transportation for pupils enrolled in the school~~ its own transportation or use the
 13.27 transportation services of the district in which it is located for the fiscal year.

13.28 (b) If a charter school elects to provide transportation for pupils, the transportation
 13.29 must be provided by the charter school within the district in which the charter school is
 13.30 located. The state must pay transportation aid to the charter school according to section
 13.31 124D.11, subdivision 2.

13.32 For pupils who reside outside the district in which the charter school is located, the
 13.33 charter school is not required to provide or pay for transportation between the pupil's
 13.34 residence and the border of the district in which the charter school is located. A parent
 13.35 may be reimbursed by the charter school for costs of transportation from the pupil's

14.1 residence to the border of the district in which the charter school is located if the pupil is
 14.2 from a family whose income is at or below the poverty level, as determined by the federal
 14.3 government. The reimbursement may not exceed the pupil's actual cost of transportation
 14.4 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
 14.5 more than 250 miles per week.

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

14.8 (c) If a charter school does not elect to provide transportation, transportation for
 14.9 pupils enrolled at the school must be provided by the district in which the school is
 14.10 located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
 14.11 pupil residing in the same district in which the charter school is located. Transportation
 14.12 may be provided by the district in which the school is located, according to sections
 14.13 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different
 14.14 district. If the district provides the transportation, the scheduling of routes, manner and
 14.15 method of transportation, control and discipline of the pupils, and any other matter relating
 14.16 to the transportation of pupils under this paragraph shall be within the sole discretion,
 14.17 control, and management of the district.

14.18 Sec. 7. Minnesota Statutes 2004, section 124D.61, is amended to read:

14.19 **124D.61 GENERAL REQUIREMENTS FOR PROGRAMS.**

14.20 A district ~~which receives aid pursuant to section 124D.65 must comply with that~~
 14.21 enrolls one or more children of limited English proficiency must implement an educational
 14.22 program that includes at a minimum the following program requirements:

14.23 (1) identification and reclassification criteria for children of limited English
 14.24 proficiency and program entrance and exit criteria for children with limited English
 14.25 proficiency must be documented by the district, applied uniformly to children of limited
 14.26 English proficiency, and made available to parents and other stakeholders upon request;

14.27 (2) a written plan of services that describes programming by English proficiency
 14.28 level made available to parents upon request. The plan must articulate the amount and
 14.29 scope of service offered to children of limited English proficiency through an educational
 14.30 program for children of limited English proficiency;

14.31 (3) professional development opportunities for ESL, bilingual education,
 14.32 mainstream, and all staff working with children of limited English proficiency which are:
 14.33 (i) coordinated with the district's professional development activities; (ii) related to the
 14.34 needs of children of limited English proficiency; and (iii) ongoing;

15.1 (4) to the extent possible, ~~the district must~~ avoid isolating children of limited English
15.2 proficiency for a substantial part of the school day; and

15.3 ~~(2)~~ (5) in predominantly nonverbal subjects, such as art, music, and physical
15.4 education, permit pupils of limited English proficiency ~~shall be permitted~~ to participate
15.5 fully and on an equal basis with their contemporaries in public school classes provided
15.6 for these subjects. To the extent possible, the district must assure to pupils enrolled in a
15.7 program for limited English proficient students an equal and meaningful opportunity to
15.8 participate fully with other pupils in all extracurricular activities.

15.9 Sec. 8. Laws 2005, First Special Session chapter 5, article 2, section 81, is amended to
15.10 read:

15.11 Sec. 81. **BOARD OF SCHOOL ADMINISTRATORS; RULEMAKING**
15.12 **AUTHORITY.**

15.13
15.14 On or before June 30, 2007, the Board of School Administrators may adopt
15.15 ~~expedited rules under Minnesota Statutes, section 14.389,~~ to reflect the changes in duties,
15.16 responsibilities, and roles of school administrators, and to make technical revisions and
15.17 clarifications to Minnesota Rules, chapter 3512.

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

15.19 Sec. 9. Laws 2005, First Special Session chapter 5, article 2, section 84, subdivision
15.20 13, is amended to read:

15.21
15.22 Subd. 13. **Examination fees; teacher training and support programs.** (a) For
15.23 students' advanced placement and international baccalaureate examination fees under
15.24 Minnesota Statutes, section 120B.13, subdivision 3, and the training and related costs
15.25 for teachers and other interested educators under Minnesota Statutes, section 120B.13,
15.26 subdivision 1:

15.27	\$	4,500,000	2006
15.28	\$	4,500,000	2007

15.29
15.30 (b) The advanced placement program shall receive 75 percent of the appropriation
15.31 each year and the international baccalaureate program shall receive 25 percent of the
15.32 appropriation each year. The department, in consultation with representatives of the
15.33 advanced placement and international baccalaureate programs selected by the Advanced

16.1 Placement Advisory Council and IBMN, respectively, shall determine the amounts of
16.2 the expenditures each year for examination fees and training and support programs for
16.3 each program.

16.4

16.5 ~~(c) Notwithstanding Minnesota Statutes, section 120B.13, subdivision 1, at least~~
16.6 ~~\$500,000 each year is for teachers to attend subject matter summer training programs~~
16.7 ~~and follow-up support workshops approved by the advanced placement or international~~
16.8 ~~baccalaureate programs. The amount of the subsidy for each teacher attending an~~
16.9 ~~advanced placement or international baccalaureate summer training program or workshop~~
16.10 ~~shall be the same. The commissioner shall determine the payment process and the amount~~
16.11 ~~of the subsidy.~~

16.12

16.13 ~~(d)~~ The commissioner shall pay all examination fees for all students of low-income
16.14 families under Minnesota Statutes, section 120B.13, subdivision 3, and to the extent
16.15 of available appropriations shall also pay examination fees for students sitting for an
16.16 advanced placement examination, international baccalaureate examination, or both.

16.17

16.18 Any balance in the first year does not cancel but is available in the second year.

16.19

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

16.21 **Sec. 10. SCIENCE TEACHERS.**

16.22 (a) A tenured science teacher holding a Minnesota professional license in grades
16.23 7 to 12 or 9 to 12 who receives a qualifying score on the appropriate Praxis II test in a
16.24 grade 9 to 12 science field other than the currently licensed science field must be licensed
16.25 to teach in the new subject area. The qualifying scores are the same scores used for new
16.26 science teachers established by the Minnesota Board of Teaching. The science teacher
16.27 who seeks licensure in another science subject area under this paragraph is responsible for
16.28 the costs of the required testing.

16.29 (b) For the purposes of paragraph (a), science subject areas include chemistry,
16.30 physics, biology, and earth and space science.

16.31 (c) By December 31, 2010, the Department of Education and Board of Teaching
16.32 must submit a report, including at least the effects of this section on science teacher quality
16.33 and developing highly qualified teachers, to the committees of the house of representatives
16.34 and senate having jurisdiction over kindergarten through grade 12 education.

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

17.2 **ARTICLE 3**

17.3 **SPECIAL PROGRAMS**

17.4 Section 1. Minnesota Statutes 2004, section 125A.091, subdivision 5, is amended to
17.5 read:

17.6 Subd. 5. ~~Initial action; parent~~ Parental consent. (a) ~~The district must not proceed~~
17.7 ~~with the initial evaluation of a child, the initial placement of a child in a special education~~
17.8 ~~program, or the initial provision of special education services for a child without the prior~~
17.9 ~~written consent of the child's parent. A district may not override the written refusal of a~~
17.10 ~~parent to consent to an initial evaluation or reevaluation.~~ Except as provided in paragraph
17.11 (c), a district proposing to conduct an initial evaluation to determine whether a child is a
17.12 child with a disability must obtain informed written consent from the parent of the child
17.13 before conducting new, individualized testing as part of the evaluation. Parental consent
17.14 for initial evaluation is not consent for initial provision of special education and related
17.15 services.

17.16 (b) A parent, after consulting with health care, education, or other professional
17.17 providers, may agree or disagree to provide the parent's child with sympathomimetic
17.18 medications unless section 144.344 applies.

17.19 (c) If the parent of a child enrolled or seeking to be enrolled in public school does
17.20 not provide consent for initial evaluation, or the parent fails to respond to a request to
17.21 provide consent, the district must pursue the initial evaluation of the child by utilizing
17.22 the procedural safeguards in this chapter including mediation or other alternative dispute
17.23 resolution or, if necessary, a due process hearing.

17.24 (d) A district responsible for making a free appropriate public education available to
17.25 a child with a disability must seek to obtain informed written consent before the initial
17.26 provision of special education and related services to the child.

17.27 (e) If the parent of a child with a disability does not consent to the initial provision
17.28 of special education and related services, the district may not pursue a due process hearing
17.29 to obtain permission to provide special education and related services. When a parent does
17.30 not provide consent for initial services, the district is not in violation of the requirement
17.31 to make a free appropriate public education available except where the district did not
17.32 seek consent.

17.33 (f) A district must seek to obtain informed written consent from a parent of the child
17.34 before conducting new, individualized testing as part of the reevaluation. This testing
17.35 may proceed without consent if the district can demonstrate that: (1) it took reasonable

18.1 measures to obtain consent, and (2) the child's parent failed to respond. If no parental
18.2 consent for a reevaluation is obtained because the parents object to the reevaluation, the
18.3 district may, if necessary, pursue the reevaluation of the child by utilizing the procedural
18.4 safeguards in this chapter including mediation or other alternative dispute resolution
18.5 or a due process hearing.

18.6 Sec. 2. Minnesota Statutes 2004, section 125A.091, subdivision 7, is amended to read:

18.7 Subd. 7. **Conciliation conference.** A parent must have an opportunity to meet
18.8 with appropriate district staff in at least one conciliation conference if the parent objects
18.9 to any proposal of which the parent receives notice under subdivision 2. If the parent
18.10 refuses district efforts to conciliate the dispute, the conciliation requirement is satisfied.
18.11 Following a conciliation conference, the district must prepare and provide to the parent
18.12 a conciliation conference memorandum that describes the district's final proposed offer
18.13 of service. This memorandum is admissible in evidence in any subsequent proceeding.
18.14 If a conciliation conference occurs, the requirement for a resolution meeting under
18.15 subdivision 14 is satisfied and a parent or district may proceed directly to a due process
18.16 hearing upon request.

18.17 Sec. 3. Minnesota Statutes 2004, section 125A.091, subdivision 9, is amended to read:

18.18 Subd. 9. **Mediation.** Mediation is a dispute resolution process that involves a
18.19 neutral party provided by the state to assist a parent and a district in resolving disputes over
18.20 the identification, evaluation, educational placement, manifestation determination, interim
18.21 alternative educational placement, or the provision of a free appropriate public education
18.22 to a child with a disability. A mediation process is available as an informal alternative to a
18.23 due process hearing but must not be used to deny or postpone the opportunity of a parent
18.24 or district to obtain a due process hearing. Mediation is voluntary for all parties. After a
18.25 due process hearing is requested, a party may request mediation and the commissioner
18.26 must provide a mediator to conduct the mediation session no later than the third business
18.27 day after the commissioner receives the mediation request. All mediation discussions are
18.28 confidential and inadmissible in evidence in any subsequent proceeding, unless the:
18.29 (1) parties expressly agree otherwise;
18.30 (2) evidence is otherwise available; or
18.31 (3) evidence is offered to prove bias or prejudice of a witness.

18.32 Sec. 4. Minnesota Statutes 2004, section 125A.091, subdivision 10, is amended to read:

19.1 Subd. 10. **Mediated agreements.** Mediated agreements must be in writing and
 19.2 signed by a parent and representative of the district who has authority to bind the district.
 19.3 The agreement is enforceable in state district court, including conciliation court, or
 19.4 in federal district court under federal law. Agreements are not admissible in a due
 19.5 process hearing unless the parties agree otherwise or a party to the agreement believes
 19.6 the agreement is not being implemented, in which case the aggrieved party may enter
 19.7 the agreement into evidence at a due process hearing. The parties may request another
 19.8 mediation to resolve a dispute over implementing the mediated agreement. ~~After a due~~
 19.9 ~~process hearing is requested, a party may request mediation and the commissioner must~~
 19.10 ~~provide a mediator who conducts a mediation session no later than the third business day~~
 19.11 ~~after the mediation request is made to the commissioner.~~

19.12 Sec. 5. Minnesota Statutes 2004, section 125A.091, subdivision 12, is amended to read:

19.13 Subd. 12. **Impartial due process hearing.** (a) A parent or a district ~~is~~ may be
 19.14 entitled to an impartial due process hearing conducted by the state when a dispute arises
 19.15 over the identification, evaluation, educational placement, manifestation determination,
 19.16 interim alternative educational placement, or the provision of a free appropriate public
 19.17 education to a child with a disability. The dispute must be based on an alleged violation
 19.18 occurring within the two years before the date the parent or district knew or should have
 19.19 known about the alleged action that forms the basis of the dispute. This timeline does not
 19.20 apply to a parent if the parent was prevented from filing for a hearing due to:

19.21 (1) specific misrepresentations by the district that it had resolved the problem
 19.22 forming the basis of the complaint; or

19.23 (2) the district's withholding of information, such as procedural safeguards and prior
 19.24 written notice, required to be provided to the parent.

19.25 The hearing must be held in the district responsible for ensuring that a free appropriate
 19.26 public education is provided according to state and federal law. The proceedings must be
 19.27 recorded and preserved, at state expense, pending ultimate disposition of the action.

19.28 (b) The due process hearing must be conducted according to the rules of the
 19.29 commissioner and federal law.

19.30 Sec. 6. Minnesota Statutes 2004, section 125A.091, subdivision 13, is amended to read:

19.31 Subd. 13. **Hearing officer qualifications.** The commissioner must appoint an
 19.32 individual who is qualified under this subdivision to serve as a hearing officer. The
 19.33 hearing officer must:

19.34 (1) be knowledgeable and impartial;

20.1 (2) have no personal interest in or specific involvement with the student who is a
20.2 party to the hearing;

20.3 (3) not have been employed as an administrator by the district that is a party to
20.4 the hearing;

20.5 (4) not have been involved in selecting the district administrator who is a party
20.6 to the hearing;

20.7 (5) have no personal, economic, or professional interest in the outcome of the
20.8 hearing other than properly administering federal and state laws, rules, and policies;

20.9 (6) ~~have no substantial involvement in developing state or local policies or~~
20.10 ~~procedures challenged in the hearing~~ possess the knowledge and ability to conduct
20.11 hearings and write decisions in accordance with appropriate, standard legal practice;

20.12 (7) not be a current employee or board member of a Minnesota public school district,
20.13 education district, intermediate unit or regional education agency, or the department if
20.14 the department is the service provider; and

20.15 (8) not be a current employee or board member of a disability advocacy organization
20.16 or group.

20.17 A party may disqualify a hearing officer only by affirmatively showing prejudice or
20.18 bias to the commissioner or to the chief administrative law judge if the hearing officer is
20.19 an administrative law judge. If a party affirmatively shows prejudice against a hearing
20.20 officer, the commissioner must assign another hearing officer to hear the matter.

20.21 Sec. 7. Minnesota Statutes 2004, section 125A.091, subdivision 14, is amended to read:

20.22 Subd. 14. **Request for hearing and resolution meeting.** (a) A request for a due
20.23 process hearing must: be made under Minnesota Rules.

20.24 ~~(1) be in writing;~~

20.25 ~~(2) describe the nature of the dispute about providing special education services to~~
20.26 ~~the student including facts relating to the dispute; and~~

20.27 ~~(3) state, to the extent known, the relief sought.~~

20.28 ~~Any school district administrator receiving a request for a due process hearing~~
20.29 ~~must immediately forward the request to the commissioner. Within two business days of~~
20.30 ~~receiving a request for a due process hearing, the commissioner must appoint a hearing~~
20.31 ~~officer. The commissioner must not deny a request for hearing because the request~~
20.32 ~~is incomplete. A party may disqualify a hearing officer only by affirmatively showing~~
20.33 ~~prejudice or bias to the commissioner or to the chief administrative law judge if the~~
20.34 ~~hearing officer is an administrative law judge. If a party affirmatively shows prejudice~~
20.35 ~~against a hearing officer, the commissioner must assign another hearing officer to hear the~~

21.1 ~~matter.~~ Within 15 days of receiving notice of the parent's request for hearing, and prior to
 21.2 initiation of the 45-day deadline for a final decision, the district must convene a meeting
 21.3 with the parent and the relevant member or members of the IEP team, as determined by
 21.4 the parent and the district, who have specific knowledge of the facts identified in the
 21.5 request for hearing that:

21.6 (1) includes a representative of the district who has decision-making authority on
 21.7 behalf of the district; and

21.8 (2) may not include an attorney of the district unless the parent is accompanied
 21.9 by an attorney.

21.10 (b) The purpose of the meeting is for the parent of the child to discuss the complaint
 21.11 and the facts that form the basis of the hearing request, so that the district has the
 21.12 opportunity to resolve the dispute. This meeting need not be held if:

21.13 (1) a conciliation conference on the matter has already occurred;

21.14 (2) the parent and district agree in writing to waive the meeting; or

21.15 (3) the parent and district agree to attempt mediation.

21.16 (c) If the district has not resolved the matter to the satisfaction of the parent within
 21.17 30 days of receipt of the request for hearing, the 45-day timeline for a final decision
 21.18 begins on the 31st day. Notwithstanding the exceptions under this subdivision, the failure
 21.19 of a parent to participate in at least one resolution meeting will delay the timelines for
 21.20 the resolution process and due process hearing until the meeting is held. If a resolution is
 21.21 reached as a result of the resolution meeting, the parties must execute a legally binding
 21.22 written agreement that is:

21.23 (1) signed by both the parent and a representative of the district who has the
 21.24 authority to bind the district; and

21.25 (2) enforceable in state district court, including a conciliation court, or federal
 21.26 district court, pursuant to federal law.

21.27 (d) Either party may void the agreement in writing, with the rescission served on the
 21.28 other party within three business days of the agreement's execution.

21.29 Sec. 8. Minnesota Statutes 2004, section 125A.091, subdivision 15, is amended to read:

21.30 Subd. 15. **Prehearing conference.** A prehearing conference must be held within
 21.31 ~~five business~~ seven days of the date the ~~commissioner appoints the hearing officer~~ 45-day
 21.32 timeline for a final decision begins to run under subdivision 14. The hearing officer must
 21.33 initiate the prehearing conference which may be conducted in person, at a location within
 21.34 the district, or by telephone. The hearing officer must create a written verbatim record

22.1 of the prehearing conference which is available to either party upon request. At the
22.2 prehearing conference, the hearing officer must:

- 22.3 (1) identify the questions that must be answered to resolve the dispute and eliminate
22.4 claims and complaints that are without merit;
- 22.5 (2) set a scheduling order for the hearing and additional prehearing activities;
- 22.6 (3) determine if the hearing can be disposed of without an evidentiary hearing and, if
22.7 so, establish the schedule and procedure for doing so; and
- 22.8 (4) establish the management, control, and location of the hearing to ensure its fair,
22.9 efficient, and effective disposition.

22.10 Sec. 9. Minnesota Statutes 2004, section 125A.091, subdivision 19, is amended to read:

22.11 Subd. 19. **Expedited due process hearings.** A parent has the right to an expedited
22.12 due process hearing when there is a dispute over a manifestation determination or a
22.13 proposed or actual placement in an interim alternative educational setting. A district has
22.14 the right to an expedited due process hearing when proposing or seeking to maintain
22.15 placement in an interim alternative educational setting. A hearing officer must hold an
22.16 expedited due process hearing and must issue a decision within ten calendar days of the
22.17 request for a hearing. A hearing officer may extend by up to five additional calendar
22.18 days the time for issuing a decision in an expedited due process hearing. All policies in
22.19 this section apply to expedited due process hearings to the extent they do not conflict
22.20 with ~~federal law~~ this subdivision.

22.21 Sec. 10. Minnesota Statutes 2004, section 125A.091, subdivision 20, is amended to
22.22 read:

22.23 Subd. 20. **Hearing officer's decision; time period.** (a) The hearing officer must
22.24 issue a decision within 45 calendar days of the expiration of the 30-day resolution process
22.25 period or, if a conciliation conference has been held concerning the matter upon which
22.26 the request is based, within 45 days of the date on which the commissioner receives
22.27 the request for a due process hearing. A hearing officer is encouraged to accelerate the
22.28 time line to 30 days for a child under the age of three whose needs change rapidly and
22.29 who requires quick resolution of a dispute. A hearing officer may not extend the time
22.30 beyond the 45-day period unless requested by either party for good cause shown on the
22.31 record. Extensions of time must not exceed a total of 30 calendar days unless both parties
22.32 and the hearing officer agree or time is needed to complete an independent educational
22.33 evaluation. Good cause includes, but is not limited to, the time required for mediation or

23.1 other settlement discussions, independent educational evaluation, complexity and volume
23.2 of issues, or finding or changing counsel.

23.3 (b) The hearing officer's decision must:

23.4 (1) be in writing;

23.5 (2) state the controlling and material facts upon which the decision is made in order
23.6 to apprise the reader of the basis and reason for the decision; and

23.7 (3) be based on local standards, state statute, the rules of the commissioner, and
23.8 federal law.

23.9 Sec. 11. Minnesota Statutes 2005 Supplement, section 125A.11, subdivision 1, is
23.10 amended to read:

23.11 Subdivision 1. **Nonresident tuition rate; other costs.** (a) For fiscal year 2006,
23.12 when a school district provides instruction and services outside the district of residence,
23.13 board and lodging, and any tuition to be paid, shall be paid by the district of residence. The
23.14 tuition rate to be charged for any child with a disability, excluding a pupil for whom tuition
23.15 is calculated according to section 127A.47, subdivision 7, paragraph (d), must be the sum
23.16 of (1) the actual cost of providing special instruction and services to the child including
23.17 a proportionate amount for special transportation and unreimbursed building lease and
23.18 debt service costs for facilities used primarily for special education, plus (2) the amount
23.19 of general education revenue and referendum aid attributable to the pupil, minus (3) the
23.20 amount of special education aid for children with a disability received on behalf of that
23.21 child, minus (4) if the pupil receives special instruction and services outside the regular
23.22 classroom for more than 60 percent of the school day, the amount of general education
23.23 revenue and referendum aid, excluding portions attributable to district and school
23.24 administration, district support services, operations and maintenance, capital expenditures,
23.25 and pupil transportation, attributable to that pupil for the portion of time the pupil receives
23.26 special instruction in and services outside the regular classroom. If the boards involved
23.27 do not agree upon the tuition rate, either board may apply to the commissioner to fix the
23.28 rate. Notwithstanding chapter 14, the commissioner must then set a date for a hearing or
23.29 request a written statement from each board, giving each board at least ten days' notice,
23.30 and after the hearing or review of the written statements the commissioner must make an
23.31 order fixing the tuition rate, which is binding on both school districts. General education
23.32 revenue and referendum aid attributable to a pupil must be calculated using the resident
23.33 district's average general education and referendum revenue per adjusted pupil unit.

23.34 (b) For fiscal year 2007 and later, when a school district provides special instruction
23.35 and services for a pupil with a disability as defined in section 125A.02 outside the district

24.1 of residence, excluding a pupil for whom an adjustment to special education aid is
24.2 calculated according to section 127A.47, subdivision 7, paragraph (e), special education
24.3 aid paid to the resident district must be reduced by an amount equal to (1) the actual
24.4 cost of providing special instruction and services to the pupil, including a proportionate
24.5 amount for special transportation and unreimbursed building lease and debt service costs
24.6 for facilities used primarily for special education, plus (2) the amount of general education
24.7 revenue and referendum aid attributable to that pupil, minus (3) the amount of special
24.8 education aid for children with a disability received on behalf of that child, minus (4) if the
24.9 pupil receives special instruction and services outside the regular classroom for more than
24.10 60 percent of the school day, the amount of general education revenue and referendum
24.11 aid, excluding portions attributable to district and school administration, district support
24.12 services, operations and maintenance, capital expenditures, and pupil transportation,
24.13 attributable to that pupil for the portion of time the pupil receives special instruction in
24.14 and services outside the regular classroom. General education revenue and referendum
24.15 aid attributable to a pupil must be calculated using the resident district's average general
24.16 education revenue and referendum aid per adjusted pupil unit. Special education aid
24.17 paid to the district or cooperative providing special instruction and services for the pupil
24.18 must be increased by the amount of the reduction in the aid paid to the resident district.
24.19 Amounts paid to cooperatives under this subdivision and section 127A.47, subdivision
24.20 7, shall be recognized and reported as revenues and expenditures on the resident school
24.21 district's books of account under sections 123B.75 and 123B.76. If the resident district's
24.22 special education aid is insufficient to make the full adjustment, the remaining adjustment
24.23 shall be made to other state aid due to the district.

24.24 (c) Notwithstanding paragraphs (a) and (b) and section 127A.47, subdivision 7,
24.25 paragraphs (d) and (e), a charter school where more than 30 percent of enrolled students
24.26 receive special education and related services, an intermediate district, or a special
24.27 education cooperative may apply to the commissioner for authority to charge the resident
24.28 district an additional amount to recover any remaining unreimbursed costs of serving
24.29 pupils with a disability. The application must include a description of the costs and the
24.30 calculations used to determine the unreimbursed portion to be charged to the resident
24.31 district. Amounts approved by the commissioner under this paragraph must be included
24.32 in the tuition billings or aid adjustments under paragraph (a) or (b), or section 127A.47,
24.33 subdivision 7, paragraph (d) or (e), as applicable.

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

24.35 Sec. 12. Minnesota Statutes 2004, section 125A.27, subdivision 11, is amended to read:

25.1 Subd. 11. **Interagency child find systems.** "Interagency child find systems"
 25.2 means activities developed on an interagency basis with the involvement of interagency
 25.3 early intervention committees and other relevant community groups using rigorous
 25.4 standards to actively seek out, identify, and refer infants and young children, with, or at
 25.5 risk of, disabilities, and their families, including a child under the age of three who: (1)
 25.6 is involved in a substantiated case of abuse or neglect, or (2) is identified as affected by
 25.7 illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure, to
 25.8 reduce the need for future services.

25.9 Sec. 13. Minnesota Statutes 2005 Supplement, section 125A.28, is amended to read:

25.10 **125A.28 STATE INTERAGENCY COORDINATING COUNCIL.**

25.11 An Interagency Coordinating Council ~~of at least 17, but not more than 25 members~~
 25.12 is established, in compliance with Public Law ~~102-119~~ 108-446, section ~~682~~ 641. The
 25.13 members must be appointed by the governor. ~~Council members must elect the council~~
 25.14 ~~chair. The representative of the commissioner may not serve as the chair. The council~~
 25.15 ~~must be composed of at least five parents, including persons of color, of children with~~
 25.16 ~~disabilities under age 12, including at least three parents of a child with a disability~~
 25.17 ~~under age seven, five representatives of public or private providers of services for~~
 25.18 ~~children with disabilities under age five, including a special education director, county~~
 25.19 ~~social service director, local Head Start director, and a community health services or~~
 25.20 ~~public health nursing administrator, one member of the senate, one member of the~~
 25.21 ~~house of representatives, one representative of teacher preparation programs in early~~
 25.22 ~~childhood-special education or other preparation programs in early childhood intervention,~~
 25.23 ~~at least one representative of advocacy organizations for children with disabilities~~
 25.24 ~~under age five, one physician who cares for young children with special health care~~
 25.25 ~~needs, one representative each from the commissioners of commerce, education, health,~~
 25.26 ~~human services, a representative from the state agency responsible for child care, and a~~
 25.27 ~~representative from Indian health services or a tribal council. Section 15.059, subdivisions~~
 25.28 ~~2 to 5, apply to the council. The council must meet at least quarterly.~~

25.29 ~~The council must address methods of implementing the state policy of developing~~
 25.30 ~~and implementing comprehensive, coordinated, multidisciplinary interagency programs of~~
 25.31 ~~early intervention services for children with disabilities and their families.~~

25.32 ~~The duties of the council include recommending policies to ensure a comprehensive~~
 25.33 ~~and coordinated system of all state and local agency services for children under age five~~
 25.34 ~~with disabilities and their families. The policies must address how to incorporate each~~
 25.35 ~~agency's services into a unified state and local system of multidisciplinary assessment~~

26.1 ~~practices, individual intervention plans, comprehensive systems to find children in need of~~
 26.2 ~~services, methods to improve public awareness, and assistance in determining the role of~~
 26.3 ~~interagency early intervention committees.~~

26.4 On the date that Minnesota Part C Annual Performance Report is submitted to the
 26.5 federal Office of Special Education, the council must recommend to the governor and the
 26.6 commissioners of education, health, human services, commerce, and employment and
 26.7 economic development policies for a comprehensive and coordinated system.

26.8 Notwithstanding any other law to the contrary, the State Interagency Coordinating
 26.9 Council expires on June 30, 2009.

26.10 Sec. 14. Minnesota Statutes 2004, section 125A.29, is amended to read:

26.11 **125A.29 RESPONSIBILITIES OF COUNTY BOARDS AND SCHOOL**
 26.12 **BOARDS.**

26.13 (a) It is the joint responsibility of county boards and school boards to coordinate,
 26.14 provide, and pay for appropriate services, and to facilitate payment for services from public
 26.15 and private sources. Appropriate services for children eligible under section 125A.02 must
 26.16 be determined in consultation with parents, physicians, and other educational, medical,
 26.17 health, and human services providers. The services provided must be in conformity with:

26.18 (1) an IFSP for each eligible infant and toddler from birth through age two and its
 26.19 the infant's or toddler's family; including:

26.20 (i) Indian infants and toddlers with disabilities and their families residing on a
 26.21 reservation geographically located in the state;

26.22 (ii) infants and toddlers with disabilities who are homeless children and their
 26.23 families; and

26.24 (iii) infants and toddlers with disabilities who are wards of the state; or

26.25 (2) an individual education plan (IEP) or individual service plan (ISP) for each
 26.26 eligible child ages three through four.

26.27 (b) Appropriate services include family education and counseling, home visits,
 26.28 occupational and physical therapy, speech pathology, audiology, psychological services,
 26.29 special instruction, nursing, respite, nutrition, assistive technology, transportation
 26.30 and related costs, social work, vision services, case management including service
 26.31 coordination under section 125A.33, medical services for diagnostic and evaluation
 26.32 purposes, early identification, and screening, assessment, and health services necessary to
 26.33 enable children with disabilities to benefit from early intervention services.

27.1 (c) School and county boards shall coordinate early intervention services. In the
 27.2 absence of agreements established according to section 125A.39, service responsibilities
 27.3 for children birth through age two are as follows:

27.4 (1) school boards must provide, pay for, and facilitate payment for special education
 27.5 and related services required under sections 125A.05 and 125A.06;

27.6 (2) county boards must provide, pay for, and facilitate payment for noneducational
 27.7 services of social work, psychology, transportation and related costs, nursing, respite, and
 27.8 nutrition services not required under clause (1).

27.9 (d) School and county boards may develop an interagency agreement according
 27.10 to section 125A.39 to establish agency responsibility that assures early intervention
 27.11 services are coordinated, provided, paid for, and that payment is facilitated from public
 27.12 and private sources.

27.13 (e) County and school boards must jointly determine the primary agency in this
 27.14 cooperative effort and must notify the commissioner of the state lead agency of their
 27.15 decision.

27.16 Sec. 15. Minnesota Statutes 2004, section 125A.30, is amended to read:

27.17 **125A.30 INTERAGENCY EARLY INTERVENTION COMMITTEES.**

27.18 (a) A school district, group of districts, or special education cooperative, in
 27.19 cooperation with the health and human service agencies located in the county or counties
 27.20 in which the district or cooperative is located, must establish an Interagency Early
 27.21 Intervention Committee for children with disabilities under age five and their families
 27.22 under this section, and for children with disabilities ages three to 22 consistent with
 27.23 the requirements under sections 125A.023 and 125A.027. Committees must include
 27.24 representatives of local health, education, and county human service agencies, county
 27.25 boards, school boards, early childhood family education programs, Head Start, parents of
 27.26 young children with disabilities under age 12, child care resource and referral agencies,
 27.27 school readiness programs, current service providers, and may also include representatives
 27.28 from other private or public agencies and school nurses. The committee must elect a chair
 27.29 from among its members and must meet at least quarterly.

27.30 (b) The committee must develop and implement interagency policies and procedures
 27.31 concerning the following ongoing duties:

27.32 (1) develop public awareness systems designed to inform potential recipient
 27.33 families, especially parents with premature infants, or infants with other physical risk
 27.34 factors associated with learning or development complications, of available programs
 27.35 and services;

28.1 (2) implement interagency child find systems designed to actively seek out, identify,
 28.2 and refer infants and young children with, or at risk of, disabilities, including a child under
 28.3 the age of three who: (i) is involved in a substantiated case of abuse or (ii) is identified
 28.4 as affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal
 28.5 drug exposure; to reduce the need for future services; and their families, especially parents
 28.6 with premature infants, or infants with other physical risk factors associated with learning
 28.7 or development complications;

28.8 (3) establish and evaluate the identification, referral, child and family assessment
 28.9 systems, procedural safeguard process, and community learning systems to recommend,
 28.10 where necessary, alterations and improvements;

28.11 (4) assure the development of individualized family service plans for all eligible
 28.12 infants and toddlers with disabilities from birth through age two, and their families, and
 28.13 individual education plans and individual service plans when necessary to appropriately
 28.14 serve children with disabilities, age three and older, and their families and recommend
 28.15 assignment of financial responsibilities to the appropriate agencies;

28.16 ~~(5) encourage agencies to develop individual family service plans for children with~~
 28.17 ~~disabilities, age three and older;~~

28.18 ~~(6)~~ implement a process for assuring that services involve cooperating agencies at all
 28.19 steps leading to individualized programs;

28.20 ~~(7)~~ (6) facilitate the development of a transitional plan if a service provider is not
 28.21 recommended to continue to provide services;

28.22 ~~(8)~~ (7) identify the current services and funding being provided within the
 28.23 community for children with disabilities under age five and their families;

28.24 ~~(9)~~ (8) develop a plan for the allocation and expenditure of additional state and
 28.25 federal early intervention funds under United States Code, title 20, section 1471 et seq.
 28.26 (Part C, Public Law ~~102-119~~ 108-446) and United States Code, title 20, section 631, et
 28.27 seq. (Chapter I, Public Law 89-313); and

28.28 ~~(10)~~ (9) develop a policy that is consistent with section 13.05, subdivision 9, and
 28.29 federal law to enable a member of an interagency early intervention committee to allow
 28.30 another member access to data classified as not public.

28.31 (c) The local committee shall also:

28.32 (1) participate in needs assessments and program planning activities conducted by
 28.33 local social service, health and education agencies for young children with disabilities and
 28.34 their families; and

28.35 (2) review and comment on the early intervention section of the total special
 28.36 education system for the district, the county social service plan, the section or sections of

29.1 the community health services plan that address needs of and service activities targeted
 29.2 to children with special health care needs, the section on children with special needs in
 29.3 the county child care fund plan, sections in Head Start plans on coordinated planning and
 29.4 services for children with special needs, any relevant portions of early childhood education
 29.5 plans, such as early childhood family education or school readiness, or other applicable
 29.6 coordinated school and community plans for early childhood programs and services, and
 29.7 the section of the maternal and child health special project grants that address needs of and
 29.8 service activities targeted to children with chronic illness and disabilities.

29.9 Sec. 16. Minnesota Statutes 2004, section 125A.32, is amended to read:

29.10 **125A.32 INDIVIDUALIZED FAMILY SERVICE PLAN.**

29.11 (a) A team must participate in IFSP meetings to develop the IFSP. The team shall
 29.12 include:

29.13 (1) a parent or parents of the child;

29.14 (2) other family members, as requested by the parent, if feasible to do so;

29.15 (3) an advocate or person outside of the family, if the parent requests that the
 29.16 person participate;

29.17 (4) the service coordinator who has been working with the family since the
 29.18 initial referral, or who has been designated by the public agency to be responsible for
 29.19 implementation of the IFSP and coordination with other agencies including transition
 29.20 services; and

29.21 (5) a person or persons involved in conducting evaluations and assessments.

29.22 (b) The IFSP must include:

29.23 (1) information about the child's developmental status;

29.24 (2) family information, with the consent of the family;

29.25 (3) measurable results or major outcomes expected to be achieved by the child and
 29.26 the family that include preliteracy and language skills, as developmentally appropriate
 29.27 for the child, and the criteria, procedures, and timelines;

29.28 (4) specific early intervention services based on peer-reviewed research, to the
 29.29 extent practicable, necessary to meet the unique needs of the child and the family to
 29.30 achieve the outcomes;

29.31 (5) payment arrangements, if any;

29.32 (6) medical and other services that the child needs, but that are not required under
 29.33 the Individual with Disabilities Education Act, United States Code, title 20, section 1471
 29.34 et seq. (Part C, Public Law ~~102-119~~ 108-446) including funding sources to be used in

- 30.1 paying for those services and the steps that will be taken to secure those services through
30.2 public or private sources;
- 30.3 (7) dates and duration of early intervention services;
- 30.4 (8) name of the service coordinator;
- 30.5 (9) steps to be taken to support a child's transition from early intervention services to
30.6 other appropriate services, including convening a transition conference at least 90 days, or
30.7 at the discretion of all parties, not more than nine months prior to the child's eligibility for
30.8 preschool services; and
- 30.9 (10) signature of the parent and authorized signatures of the agencies responsible
30.10 for providing, paying for, or facilitating payment, or any combination of these, for early
30.11 intervention services.

30.12 Sec. 17. Minnesota Statutes 2004, section 125A.33, is amended to read:

30.13 **125A.33 SERVICE COORDINATION.**

30.14 (a) The team developing the IFSP under section 125A.32 must select a service
30.15 coordinator to carry out service coordination activities on an interagency basis. Service
30.16 coordination must actively promote a family's capacity and competency to identify,
30.17 obtain, coordinate, monitor, and evaluate resources and services to meet the family's
30.18 needs. Service coordination activities include:

- 30.19 (1) coordinating the performance of evaluations and assessments;
- 30.20 (2) facilitating and participating in the development, review, and evaluation of
30.21 individualized family service plans;
- 30.22 (3) assisting families in identifying available service providers;
- 30.23 (4) coordinating and monitoring the delivery of available services;
- 30.24 (5) informing families of the availability of advocacy services;
- 30.25 (6) coordinating with medical, health, and other service providers;
- 30.26 (7) facilitating the development of a transition plan at least 90 days before the time
30.27 the child is no longer eligible for early intervention services, or at the discretion of all
30.28 parties, not more than nine months prior to the child's eligibility for preschool services,
30.29 if appropriate;
- 30.30 (8) managing the early intervention record and submitting additional information to
30.31 the local primary agency at the time of periodic review and annual evaluations; and
- 30.32 (9) notifying a local primary agency when disputes between agencies impact service
30.33 delivery required by an IFSP.

31.1 (b) A service coordinator must be knowledgeable about children and families
 31.2 receiving services under this section, requirements of state and federal law, and services
 31.3 available in the interagency early childhood intervention system.

31.4 Sec. 18. Minnesota Statutes 2004, section 125A.48, is amended to read:

31.5 **125A.48 STATE INTERAGENCY AGREEMENT.**

31.6 (a) The commissioners of the Departments of Education, Health, and Human
 31.7 Services must enter into an agreement to implement this section and Part H C, Public
 31.8 Law ~~102-119~~ 108-446, and as required by Code of Federal Regulations, title 34, section
 31.9 303.523, to promote the development and implementation of interagency, coordinated,
 31.10 multidisciplinary state and local early childhood intervention service systems for serving
 31.11 eligible young children with disabilities, birth through age two, and their families and
 31.12 to ensure the meaningful involvement of underserved groups, including minority,
 31.13 low-income, homeless, and rural families and children with disabilities who are wards
 31.14 of the state. The agreement must be reviewed annually.

31.15 (b) The state interagency agreement must outline at a minimum the conditions,
 31.16 procedures, purposes, and responsibilities of the participating state and local agencies
 31.17 for the following:

31.18 (1) membership, roles, and responsibilities of a state interagency committee for
 31.19 the oversight of priorities and budget allocations under Part H C, Public Law ~~102-119~~
 31.20 108-446, and other state allocations for this program;

31.21 (2) child find;

31.22 (3) establishment of local interagency agreements;

31.23 (4) review by a state interagency committee of the allocation of additional state and
 31.24 federal early intervention funds by local agencies;

31.25 (5) fiscal responsibilities of the state and local agencies;

31.26 (6) intraagency and interagency dispute resolution;

31.27 (7) payor of last resort;

31.28 (8) maintenance of effort;

31.29 (9) procedural safeguards, including mediation;

31.30 (10) complaint resolution;

31.31 (11) quality assurance;

31.32 (12) data collection;

31.33 (13) an annual summary to the state Interagency Coordinating Council regarding
 31.34 conflict resolution activities including disputes, due process hearings, and complaints; and

32.1 (14) other components of the state and local early intervention system consistent
32.2 with Public Law ~~102-119~~ 108-446.

32.3 Written materials must be developed for parents, IEIC's, and local service providers
32.4 that describe procedures developed under this section as required by Code of Federal
32.5 Regulations, title 34, section 303.

32.6 Sec. 19. Minnesota Statutes 2004, section 125A.515, subdivision 1, is amended to read:

32.7 **Subdivision 1. Approval of education programs.** The commissioner shall approve
32.8 education programs for placement of children and youth in care and treatment facilities
32.9 including detention centers, before being licensed by the Department of Human Services
32.10 ~~under Minnesota Rules, parts 9545.0905 to 9545.1125 and 9545.1400 to 9545.1480, or~~
32.11 ~~the Department of Corrections under Minnesota Rules, chapters 2925, 2930, 2935, and~~
32.12 ~~2950.~~ Education programs in these facilities shall conform to state and federal education
32.13 laws including the Individuals with Disabilities Education Act (IDEA). This section
32.14 applies only to placements in facilities licensed by the Department of Human Services or
32.15 the Department of Corrections.

32.16 Sec. 20. Minnesota Statutes 2004, section 125A.515, subdivision 3, is amended to read:

32.17 **Subd. 3. Responsibilities for providing education.** (a) The district in which the
32.18 facility is located must provide education services, including special education if eligible,
32.19 to all students placed in a facility for care and treatment.

32.20 (b) For education programs operated by the Department of Corrections, the
32.21 providing district shall be the Department of Corrections. For students remanded to the
32.22 commissioner of corrections, the providing and resident district shall be the Department
32.23 of Corrections.

32.24 ~~(c) Placement for care and treatment does not automatically make a student eligible~~
32.25 ~~for special education. A student placed in a care and treatment facility is eligible for~~
32.26 ~~special education under state and federal law including the Individuals with Disabilities~~
32.27 ~~Education Act under United States Code, title 20, chapter 33.~~

32.28 Sec. 21. Minnesota Statutes 2004, section 125A.515, subdivision 5, is amended to read:

32.29 **Subd. 5. Education programs for students placed in facilities ~~for care and~~**
32.30 **~~treatment.~~** (a) When a student is placed in a ~~care and treatment~~ facility approved under
32.31 this section that has an on-site education program, the providing district, upon notice from
32.32 the care and treatment facility, must contact the resident district within one business day to
32.33 determine if a student has been identified as having a disability, and to request at least

33.1 the student's transcript, and for students with disabilities, the most recent individualized
 33.2 education plan (IEP) and evaluation report, and to determine if the student has been
 33.3 identified as a student with a disability. The resident district must send a facsimile copy to
 33.4 the providing district within two business days of receiving the request.

33.5 (b) If a student placed ~~for care and treatment~~ under this section has been identified as
 33.6 having a disability and has an individual education plan in the resident district:

33.7 (1) the providing agency must conduct an individualized education plan meeting
 33.8 to reach an agreement about continuing or modifying special education services in
 33.9 accordance with the current individualized education plan goals and objectives and to
 33.10 determine if additional evaluations are necessary; and

33.11 (2) at least the following people shall receive written notice or documented phone
 33.12 call to be followed with written notice to attend the individualized education plan meeting:

33.13 (i) the person or agency placing the student;

33.14 (ii) the resident district;

33.15 (iii) the appropriate teachers and related services staff from the providing district;

33.16 (iv) appropriate staff from the care and treatment facility;

33.17 (v) the parents or legal guardians of the student; and

33.18 (vi) when appropriate, the student.

33.19 (c) For a student who has not been identified as a student with a disability, a
 33.20 screening must be conducted by the providing districts as soon as possible to determine
 33.21 the student's educational and behavioral needs and must include a review of the student's
 33.22 educational records.

33.23 Sec. 22. Minnesota Statutes 2004, section 125A.515, subdivision 6, is amended to read:

33.24 Subd. 6. **Exit report summarizing educational progress.** If a student has been
 33.25 placed in a ~~care and treatment~~ facility under this section for 15 or more business days, the
 33.26 providing district must prepare an exit report summarizing the regular education, special
 33.27 education, evaluation, educational progress, and service information and must send the
 33.28 report to the resident district and the next providing district if different, the parent or
 33.29 legal guardian, and any appropriate social service agency. For students with disabilities,
 33.30 this report must include the student's IEP.

33.31 Sec. 23. Minnesota Statutes 2004, section 125A.515, subdivision 7, is amended to read:

33.32 Subd. 7. **Minimum educational services required.** When a student is placed in a
 33.33 facility approved under this section, at a minimum, the providing district is responsible for:

34.1 (1) the education necessary, including summer school services, for a student who is
34.2 not performing at grade level as indicated in the education record or IEP; and

34.3 (2) a school day, of the same length as the school day of the providing district, unless
34.4 the unique needs of the student, as documented through the IEP or education record in
34.5 consultation with treatment providers, requires an alteration in the length of the school day.

34.6 Sec. 24. Minnesota Statutes 2004, section 125A.515, subdivision 9, is amended to read:

34.7 Subd. 9. **Reimbursement for education services.** (a) Education services
34.8 provided to students who have been placed ~~for care and treatment~~ under this section are
34.9 reimbursable in accordance with special education and general education statutes.

34.10 (b) Indirect or consultative services provided in conjunction with regular education
34.11 prereferral interventions and assessment provided to regular education students suspected
34.12 of being disabled and who have demonstrated learning or behavioral problems in a
34.13 screening are reimbursable with special education categorical aids.

34.14 (c) Regular education, including screening, provided to students with or without
34.15 disabilities is not reimbursable with special education categorical aids.

34.16 Sec. 25. Minnesota Statutes 2004, section 125A.515, subdivision 10, is amended to
34.17 read:

34.18 Subd. 10. **Students unable to attend school but not ~~placed in care and treatment~~**
34.19 **facilities covered under this section.** Students who are absent from, or predicted to be
34.20 absent from, school for 15 consecutive or intermittent days, at home or in facilities not
34.21 licensed by the Departments of Corrections or Human Services are ~~not students placed~~
34.22 ~~for care and treatment~~ entitled to services in accordance with Minnesota Rules, part
34.23 3525.2325. These students include students with and without disabilities who are home
34.24 due to accident or illness, in a hospital or other medical facility, or in a day treatment
34.25 center. ~~These students are entitled to education services through their district of residence.~~

34.26 Sec. 26. Minnesota Statutes 2004, section 125A.63, subdivision 4, is amended to read:

34.27 Subd. 4. **Advisory committees.** ~~The Special Education Advisory Council~~
34.28 commissioner shall establish an advisory committee for each resource center. The
34.29 advisory committees shall develop recommendations regarding the resource centers and
34.30 submit an annual report to the commissioner on the form and in the manner prescribed by
34.31 the commissioner.

34.32 Sec. 27. Minnesota Statutes 2004, section 125A.75, subdivision 1, is amended to read:

35.1 Subdivision 1. **Travel aid.** The state must pay each district one-half of the sum
35.2 actually expended by a district, based on mileage, for necessary travel of essential
35.3 personnel providing home-based services to children with a disability under age five
35.4 and their families.

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

35.6 Sec. 28. **DEPARTMENT OF EDUCATION RULES.**

35.7 Before July 1, 2007, the Department of Education shall amend Minnesota Rules,
35.8 part 3525.2325, to conform with Minnesota Statutes, section 125A.515.

35.9 Sec. 29. **REPEALER.**

35.10 Minnesota Statutes 2004, sections 125A.10; and 125A.515, subdivision 2, are
35.11 repealed.

35.12 **ARTICLE 4**

35.13 **NUTRITION AND ACCOUNTING**

35.14 Section 1. **REPEALER.**

35.15 Minnesota Statutes 2004, section 123B.10, is repealed.

35.16 **ARTICLE 5**

35.17 **SELF-SUFFICIENCY AND LIFELONG LEARNING**

35.18 Section 1. Minnesota Statutes 2004, section 124D.518, subdivision 4, is amended to
35.19 read:

35.20 Subd. 4. **First prior program year.** "First prior program year" means the ~~period~~
35.21 ~~from May 1 of the second prior fiscal year through April 30 of the first prior fiscal year~~
35.22 specific time period defined by the commissioner that aligns to a program academic year.

35.23 Sec. 2. Minnesota Statutes 2004, section 124D.52, subdivision 1, is amended to read:

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

35.28 (b) Notwithstanding any law to the contrary, a school board or the governing body of
35.29 a consortium offering an adult basic education program may adopt a sliding fee schedule
35.30 based on a family's income, but must waive the fee for participants who are under the

36.1 age of 21 or unable to pay. The fees charged must be designed to enable individuals of
 36.2 all socioeconomic levels to participate in the program. A program may charge a security
 36.3 deposit to assure return of materials, supplies, and equipment.

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

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

36.11 (e) A state-approved adult basic education program must count and submit student
 36.12 contact hours for a program that offers high school credit toward an adult high school
 36.13 diploma according to student eligibility requirements and competency demonstration
 36.14 requirements established by the commissioner.

36.15 ARTICLE 6

36.16 EARLY CHILDHOOD EDUCATION

36.17 Section 1. Minnesota Statutes 2004, section 119A.50, subdivision 1, is amended to read:

36.18 Subdivision 1. **Department of Education.** The Department of Education is the
 36.19 state agency responsible for administering the Head Start program. The commissioner
 36.20 of education ~~may make grants~~ shall allocate funds according to the formula in section
 36.21 119A.52 to public or private nonprofit agencies for the purpose of providing supplemental
 36.22 funds for the federal Head Start program.

36.23 Sec. 2. Minnesota Statutes 2004, section 119A.52, is amended to read:

36.24 **119A.52 DISTRIBUTION OF APPROPRIATION ~~AND PROGRAM~~**
 36.25 **~~COORDINATION.~~**

36.26 The commissioner of education must distribute money appropriated for that purpose
 36.27 to federally designated Head Start program grantees programs to expand services and to
 36.28 serve additional low-income children. ~~Money must be allocated to each project Head Start~~
 36.29 ~~grantee in existence on the effective date of Laws 1989, chapter 282.~~ Migrant and Indian
 36.30 reservation grantees programs must be initially allocated money based on the grantees'
 36.31 programs' share of federal funds. The remaining money must be initially allocated to the
 36.32 remaining local agencies based equally on the agencies' share of federal funds and on the
 36.33 proportion of eligible children in the agencies' service area who are not currently being

37.1 served. A Head Start grantee must be funded at a per child rate equal to its contracted,
 37.2 federally funded base level ~~for program accounts 20, 22, and 25~~ at the start of the fiscal
 37.3 year. In allocating funds under this paragraph, the commissioner of education must assure
 37.4 that each Head Start grantee program in existence in 1993 is allocated no less funding
 37.5 in any fiscal year than was allocated to that grantee program in fiscal year 1993. ~~The~~
 37.6 ~~commissioner may provide additional funding to grantees for start-up costs incurred by~~
 37.7 ~~grantees due to the increased number of children to be served.~~ Before paying money to
 37.8 the grantees programs, the commissioner must notify each grantee program of its initial
 37.9 allocation, how the money must be used, and the number of low-income children ~~that~~
 37.10 must to be served with the allocation based upon the federally funded per child rate.
 37.11 Each grantee program must present a ~~work plan to the commissioner for approval.~~ ~~The~~
 37.12 ~~work plan must include the estimated number of low-income children and families it will~~
 37.13 ~~be able to serve, a description of the program design and service delivery area which~~
 37.14 ~~meets the needs of and encourages access by low-income working families, a program~~
 37.15 ~~design that ensures fair and equitable access to Head Start services for all populations and~~
 37.16 ~~parts of the service area, and a plan for coordinating services to maximize assistance~~
 37.17 ~~for child care costs available to families under chapter 119B.~~ under section 119A.535.
 37.18 For any grantee that cannot utilize its full allocation, the commissioner must reduce the
 37.19 allocation proportionately. Money available after the initial allocations are reduced must
 37.20 be redistributed to eligible grantees.

37.21 Sec. 3. Minnesota Statutes 2004, section 119A.53, is amended to read:

37.22 **119A.53 FEDERAL REQUIREMENTS.**

37.23 Grantees Programs and the commissioner shall comply with federal regulations
 37.24 governing the federal Head Start program, except for funding for innovative initiatives
 37.25 under section ~~119A.52~~ 119A.535 as approved by the commissioner, which may be used to
 37.26 operate differently than federal Head Start regulations. If a state statute or rule conflicts
 37.27 with a federal statute or regulation, the state statute or rule prevails.

37.28 Sec. 4. **[119A.535] APPLICATION REQUIREMENTS.**

37.29 Eligible Head Start organizations must submit a plan to the department for approval
 37.30 on a form and in the manner prescribed by the commissioner. The plan must include:

37.31 (1) the estimated number of low-income children and families the program will be
 37.32 able to serve;

37.33 (2) a description of the program design and service delivery area which meets the
 37.34 needs of and encourages access by low-income working families;

38.1 (3) a program design that ensures fair and equitable access to Head Start services for
 38.2 all populations and parts of the service area;

38.3 (4) a plan for coordinating services to maximize assistance for child care costs
 38.4 available to families under chapter 119B; and

38.5 (5) identification of regular Head Start, early Head Start, and innovative services
 38.6 based upon demonstrated needs to be provided.

38.7 Sec. 5. Minnesota Statutes 2004, section 119A.545, is amended to read:

38.8 **119A.545 AUTHORITY TO WAIVE REQUIREMENTS DURING DISASTER**
 38.9 **PERIODS.**

38.10 The commissioner of education may waive requirements under sections 119A.50
 38.11 to ~~119A.53~~ 119A.535, for up to nine months after the disaster, for Head Start ~~grantees~~
 38.12 programs in areas where a federal disaster has been declared under United States Code,
 38.13 title 42, section 5121, et seq., or the governor has exercised authority under chapter 12.

38.14 The commissioner shall notify the chairs of the appropriate ~~senate Family and Early~~
 38.15 ~~Childhood Education Budget Division, the senate Education Finance Committee, the and~~
 38.16 ~~house Family and Early Childhood Education Finance Division, the house Education~~
 38.17 ~~Committee, and the house Ways and Means Committee~~ committees ten days before the
 38.18 effective date of any waiver granted under this section.

38.19 Sec. 6. Laws 2005, First Special Session chapter 5, article 7, section 20, subdivision 5,
 38.20 is amended to read:

38.21

38.22 **Subd. 5. Head Start program.** For Head Start programs under Minnesota Statutes,
 38.23 section 119A.52:

38.24

38.25 \$ 19,100,000 2006

38.26 \$ 19,100,000 2007

38.27

38.28 Any balance in the first year does not cancel but is available in the second year.

38.29 Sec. 7. **REPEALER.**

38.30 Minnesota Statutes 2004, section 119A.51, is repealed.

39.1
39.2

ARTICLE 7
STATE AGENCIES

39.3 Section 1. Minnesota Statutes 2004, section 125A.69, subdivision 3, is amended to
39.4 read:

39.5 Subd. 3. **Out-of-state admissions.** An applicant from another state who can benefit
39.6 from attending either academy may be admitted to the academy if the admission does not
39.7 prevent an eligible Minnesota resident from being admitted. The board of the Minnesota
39.8 State Academies must obtain reimbursement from the other state for the costs of the
39.9 out-of-state admission. The state board may enter into an agreement with the appropriate
39.10 authority in the other state for the reimbursement. Money received from another state
39.11 must be deposited in the ~~general~~ special revenue fund and credited to the general operating
39.12 account of the academies. The money is appropriated to the academies.

39.13 **EFFECTIVE DATE.** This section is effective retroactively from fiscal year 2001.

APPENDIX
Repealed Minnesota Statutes: 06-4911

119A.51 DEFINITIONS.

Subdivision 1. **Scope.** As used in sections 119A.52 and 119A.53, the terms defined in this section have the meanings given them.

Subd. 2. **Program account 20.** "Program account 20" means the federally designated and funded account for training and technical assistance activities.

Subd. 3. **Program account 22.** "Program account 22" means the federally designated and funded account for basic services.

Subd. 4. **Program account 25.** "Program account 25" means the federally designated and funded account for parent child centers.

Subd. 5. **Start-up costs.** "Start-up costs" means onetime costs incurred in expanding services to additional children.

120A.20 ADMISSION TO PUBLIC SCHOOL.

Subd. 3. **Pupils, at least 21 years of age.** In addition to those admitted under subdivision 1, admission to a public secondary school is free to a person who is eligible under this subdivision. In order to be eligible, a person must be:

- (1) at least 21 years of age;
- (2) a resident of the district where the secondary school is located; and
- (3) eligible under section 124D.68, subdivision 2.

Free admission is limited to two school years or the equivalent, or until the pupil completes the courses required to graduate, whichever is less. A district that admits a person to school under this section must have a reasonable expectation that the person can obtain a diploma within two years.

123B.10 PUBLICATION OF FINANCIAL INFORMATION.

Subdivision 1. **Budgets.** By October 1, every board must publish revenue and expenditure budgets for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the commissioner. The forms prescribed must be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditures and fund balances must be published in a qualified newspaper of general circulation in the district.

Subd. 2. **Debt summary.** The board must also publish at the same time a summary of bonds outstanding, paid, and sold; a summary of orders not paid for want of funds; certificates of indebtedness for the year ending June 30; the statutory operating debt of the district as defined and certified pursuant to section 123B.81; and the balance amount of the reserved fund balance reserve account for purposes of statutory operating debt reduction established pursuant to sections 126C.40 to 126C.45, 126C.48, and 124D.22.

Subd. 3. **Budget inspection.** A statement must be included in the publication that the complete budget in detail may be inspected by any resident of the district upon request to the chief school administrator.

Subd. 4. **Cost per pupil.** The board must also publish at the same time the average cost per pupil in average daily membership educated in that district in the preceding year. This computation must be made exclusive of debt service or capital outlay costs.

125A.10 COORDINATING INTERAGENCY SERVICES.

If at the time of initial referral for an educational assessment, or a reassessment, the district determines that a child with disabilities who is age 3 through 21 may be eligible for interagency services, the district may request that the county of residence provide a representative to the initial assessment or reassessment team meeting or the first individual education plan team meeting following the assessment or reassessment. The district may request to have a county representative attend other individual education plan team meetings when it is necessary to facilitate coordination between district and county provided services. Upon request from a district, the resident county shall provide a representative to assist the individual education plan team in determining the child's eligibility for existing health, mental health, or other support services administered or provided by the county. The individual education plan team and the county representative must develop an interagency plan of care for an eligible child and the child's family to coordinate services required under the child's individual education plan with county services. The interagency plan of care must include appropriate family information with

APPENDIX

Repealed Minnesota Statutes: 06-4911

the consent of the family, a description of how services will be coordinated between the district and county, a description of service coordinator responsibilities and services, and a description of activities for obtaining third-party payment for eligible services, including medical assistance payments. Any state, county, or city government agency responsible for providing services or resources to students with disabilities under this section is subject to the same dispute resolution systems as local school districts, and all such agencies must comply with corrective action requirements that ensue from these systems.

125A.515 PLACEMENT OF STUDENTS; APPROVAL OF EDUCATION PROGRAM.

Subd. 2. **Definition of care and treatment placement.** Students placed in the following public or private facilities are considered to be placed for care and treatment:

- (1) group foster home, Department of Corrections;
- (2) secure juvenile detention facilities, Department of Corrections;
- (3) juvenile residential facilities, Department of Corrections;
- (4) temporary holdover - eight day, Department of Corrections;
- (5) group homes, Department of Human Services;
- (6) residential academies, Department of Human Services;
- (7) transitional programs, Department of Human Services;
- (8) shelter care, Department of Human Services and Department of Corrections;
- (9) shelter for homeless, Department of Human Services;
- (10) adult facilities that admit persons under the age of 22; and
- (11) residential treatment programs.

TESTIMONY OF JAMES H. RODENHISER

Before the Minnesota Senate Education Committee
March 23, 2006

In opposition to SF 2967 Burden of Proof

Mr Chair, Senators ...

I am the father of a 12 year old boy with Asperger's Syndrome, a form of autism, who for the past three years has attended school in Eden Prairie and another district where Eden Prairie placed him. I am also a constituent of Senator Hann's district and am here before you today to express my opposition to SF 2967 which would assign Burden of Proof to parents in special education due process hearings.

As you know the Supreme Court recently issued a decision assigning the burden of proof to parents in such proceedings when a state has not previously legislated where the burden of proof should lie. The court recognized the natural advantage school districts have in due process proceedings but reasoned that such an advantage would be equalized by a student's right to an Independent Educational Evaluation, the right to review educational records, and the right to pursue reimbursement of attorney fees when a parent is the prevailing party in a proceeding.

The Supreme Court is unfortunately far too short sighted and out of touch with the realities facing parents who must struggle to utilize the court's so called equalizers.

Shortly before moving to Minnesota I lived in Massachusetts, a state which assigns burden of proof to parents. I filed for a due process hearing when my son's school district would not allow me full access to educational records. I wanted access to the service records of my son's special education service providers. The school district hired an attorney who was a former state hearing officer who then argued that my request was a FERPA issue rather than an IDEA issue even though the IDEA clearly incorporates FERPA and has records provisions which differ from FERPA. The school attorney on the record described my lawful attempt to access my son's records as a "fishing expedition" and the hearing officer subsequently dismissed my case for lack of jurisdiction.

In Minnesota, in response to my record requests one school district wanted to charge me \$500 for a copy of my records (approximately 2000 pages). When I requested a small subset of records from Eden Prairie I was sent a large number of records I did not request along with an invoice for more than \$200. Some of my record requests were denied when the district would use the "desk drawer notes exception" to avoid providing access to specific administrative records concerning my son. In another case, records requested from an Independent Evaluator were filtered through the school district's special education director. For yet another request I was provided records in dribs and drabs. I

had to keep writing letters to the superintendent explaining what was missing then I would receive a few more records. I had to make multiple trips to the district (an hour drive roundtrip each time) and I never did receive the full set of records.

In 2004, while I was briefly represented by an attorney I made a request for an Independent Educational Evaluation for my son. The attorney called nine neuropsychologists. All were either unavailable or admitted lack of sufficient expertise regarding my son's disability. In desperation we settled on a neuropsychologist without expertise in my son's disability and the resulting evaluation failed to address the original concerns which were described in writing. To this day I am still trying to find an independent evaluator who is available and qualified to make the recommendations which will eventually help my son. Until then my son who is bright and high functioning but especially in need of social intervention to address serious self seclusion issues is being segregated in a small class with one other student two grade levels beneath him. At last check he was only being provided 30 minutes per week of contact with a small group of children who were being brought in to him.

As far as reimbursement of attorney fees being an equalizer the Supreme Court apparently looked past the fact that most parents cannot afford attorneys in the first place. For an unrepresented parent due process is a minefield and the chance of getting to a hearing even with a strong case is remote. I attempted a due process hearing unrepresented in June 2005 only to have four district motions go against me and the case eventually being dismissed.

In 2003 I initiated a due process hearing with attorney representation. The school district presented no expert witnesses. Instead its staff witnesses testified about how they failed to respond to my son's issues. We presented two psychologists and a neuropsychologist who testified regarding my son's needs. Unbelievably, the hearing officer ruled that Eden Prairie had provided a free appropriate public education (FAPE). Upon appeal a state hearing review officer added more than 50 additional facts to the record and reversed, concluding that Eden Prairie had failed to offer a FAPE. Even with attorney representation and burden of proof on the school district there is still a high degree of uncertainty in due process decisions. School districts are most certainly not disadvantaged in any way with burden of proof remaining as it currently is.

Only Justice Ginsburg got it right in her dissent. Minnesota already legislates the burden of proof fairly and there is no judicial mandate to change it right now. Now is the wrong time to consider SF 2967.

Senator Hann, I would welcome an opportunity to meet with you and relate my experiences in far more depth than I am able to in this short testimony. I understand you were once a member of the Eden Prairie school board and I would very much like to present a different perspective to you as well as to understand your viewpoint as to why you feel school districts should have additional leverage in due process hearings. I would also like for you to meet my son and learn what he has experienced in the past three years in Eden Prairie.

I want to thank the committee for hearing me today and I would be willing to answer any questions or provide any follow-up material which may be helpful.

Sincerely,

A handwritten signature in black ink that reads "James H Rodenhiser". The signature is written in a cursive style with a large initial "J" and "R".

James H Rodenhiser

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Praxis II Science Proposal

As the Legislature meets to discuss proposed bills, the Minnesota Association for Colleges of Teacher Education (MACTE) would like to provide an update regarding its position on the proposals to substitute passing a Praxis II science test for coursework in order to add an endorsement in an additional science area.

The problem is being addressed. MACTE recognizes the concern of those sponsoring the legislation to find a way to help teachers become licensed in science, but is concerned that the proposal represents a “short cut” which will erode the high quality teaching and success of middle and high school students in science. Science teachers on variances needing to obtain coursework in science content might be prompting the initiative, and colleges and universities are offering science courses on-line and at times when teachers can take needed courses. The MDE should also consider administrative solutions which would allow eligible science teachers to add science licensure through a simple assessment process (it’s estimated a quarter of all licensed science teaches might be eligible for additional science licenses).

The proposal is not an appropriate use of the test. The company that produces the Praxis II, the Educational Testing Service (ETS), does not recommend using the Praxis II for the purpose of a comprehensive assessment. Unlike other assessments, the Praxis II science tests are only considered to be “snapshots” which, along with validation through practice, indicate meeting a *minimum* threshold of content knowledge. A perhaps overly simplistic analogy might be made with obtaining a drivers license: the written test in driving is not meant to validate the candidate’s ability. A “road” test is required to validate the theoretical content knowledge. The same principal applied to the way ETS has constructed its Praxis II content tests; the assumption is that faculty validate a candidate’s ability to teach through verification of their ability to *apply* the content knowledge. On that combined basis, the candidate is recommended for licensure.

A possibly dangerous decision. A unique and critical concern about using the Praxis II science tests as a comprehensive assessment is concern for safety. Certain candidates for science licensure might need the experience of participating in a lab to learn new safety procedures which are different for a new area of science. Could the state assure a parent that a science teacher knows lab procedures and safety based on the fact they were licensed to teach science only on the basis of taking a test, and never having actual experience in a content specific lab (a licensed life science teacher adding chemistry, for example)? Furthermore, from an student achievement standpoint, teachers who do not have skills acquired through lab based courses cannot provide the same quality instruction; the latest US Dept. of Education study on student academic achievement concluded that intense high school math courses and “at least three years of laboratory science was the most important precollegiate determinant of whether students graduated from college” (*Ed Week*, 2/22/06, p. 20). Demonstrating competency through the Praxis in science shortcuts the needed acquisition of lab skills in order to effectively teach science.

Recognizing the problem, but seeking other solutions. We would urge legislators to consider solutions that provide more quality and safety for our students, and provide support to teachers who only desire the highest quality preparation.

- Continue the efforts to identify ways content specific coursework or workshops can be offered to teachers. For example, on-line options are already being offered and will be expanded.
- Allow the Board of Teaching to finish its efforts to consider the new general science license which would address concerns.
- Create a working group to focus on the needs of schools to address this issue, assess what portion of the need in this area is due to having only partial positions available, create and implement solutions, and report next year to the Legislature on progress.

For further information, contact Mary Bents, Associate Dean, College of Education and Human Development, University of Minnesota, Twin Cities: mbents@umn.edu or 612-625-3481.

March 22, 2006

MEMBERS: Augsburg College · Bemidji State University · Bethel College · Bethany Lutheran College · Carleton College · College of St. Benedict/St. John's University · College of St. Catherine · College of St. Scholastica · Concordia College · Concordia University · Crown College · Gustavus Adolphus College · Hamline University · Macalester College · Martin Luther College · Metropolitan State University · Minnesota State University, Mankato · Minnesota State University Moorhead · North Central University · Northwestern College · Southwest State University · St. Cloud State University · St. Mary's University of MN · St. Olaf College · University of Minnesota–Duluth · University of Minnesota–Morris · University of Minnesota–Twin Cities · University of St. Thomas · Winona State University

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Maintain Minnesota's Statute on Burden of Proof in Special Education Due Process Hearings Fact Sheet

Position:

Minnesota's dispute resolution process is working well. In 2003 this area of the statute was rewritten and all stake holders agreed that the burden of proof ought to continue to be on the school district in special education due process hearings. There is no need to change this law.

Background Information:

Minnesota's dispute resolution system appears to be working well. It includes conciliation, mediation, facilitated IEP's and due process hearings. In FY 05, there were only 18 individuals who proceeded with a due process hearing out of about 114,000 students being served from birth to age 21. Additionally, there were only 126 requests for alternative dispute resolution processes, such as mediation, with a 90% agreement rate being achieved. Satisfaction rates with Minnesota's Special Education Mediation Service were very high with 98% of the participants saying they would use the service again. The Supreme Court recently issued a decision on a special education due process case in *Schaffer v Weast*.

As it relates to burden of proof, the Court stated:

"Finally, respondents and several States urge us to decide that States may, if they wish, override the default rule and put the burden always on the school district. Several States have laws or regulations purporting to do so, at least under some circumstances. See, e.g., Minn. Stat. §125A.091, subd. 16 (2004); Ala. Admin. Code Rule 290*8*9*.08(8)(c)(6) (Supp. 2004); Alaska Admin. Code tit. 4, §52.550(e)(9) (2003); Del. Code Ann., Tit. 14, §3140 (1999). Because no such law or regulation exists in Maryland, we need not decide this issue today. JUSTICE BREYER contends that the allocation of the burden ought to be left entirely up to the States. But neither party made this argument before this Court or the courts below. We therefore decline to address it.

Reasons to Oppose Changing the Burden of Proof Requirements:

The burden of proof issue only applies in due process hearings. In Minnesota, there were only 18 due process hearings in FY 05. In very few of these cases would the evidence be so equal that burden of proof even becomes an issue.

- There is no need to change. The Supreme Court's decision specifically declined to address situations where states require burden of proof to be placed on school districts (see above).
- Minnesota's burden of proof requirements have been in effect since 1977. Since that time the rule provision has been amended and renumbered but no substantial changes have been deemed necessary.
- Minnesota most recently dealt with this issue when the complete dispute resolution process was rewritten and codified in 2003 and 2004. Proponents of shifting the burden of proof were members of the task force that re-wrote the dispute resolution process in 2003 and 2004. At that time they agreed that it should not change.
- School districts have greater access to legal expertise than parents do. Shifting the burden of proof will make the system more difficult for parents.
- Changing the burden of proof removes the incentive for districts to work proactively with parents to resolve any disputes.

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PACER Center, Inc. The Arc of Minnesota, Autism Society of Minnesota, United Cerebral Palsy of Minnesota, Inc., Epilepsy Foundation of Minnesota, Minnesota Disability Law Center, Brain Injury Association of Minnesota, Children's Home Society & Family Services- Learning Disabilities Program

Through its direct advocacy, membership, boards of directors and advisory committees, the Coalition is in close touch with parents, self-advocates and professionals. Through their collective experiences as parents and advocates, the Coalition is able to work for solutions to address problems and concerns related to special education.