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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2949

- 03/21/2012 Authored by Garofalo, Doepke and Erickson
The bill was read for the first time and referred to the Committee on Education Finance
- 03/28/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means
- 03/29/2012 Adoption of Report: Pass and Read Second Time
- 04/02/2012 Fiscal Calendar, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act
 1.2 relating to education; modifying certain early childhood and kindergarten through
 1.3 grade 12 policy and finance provisions; requiring reports; appropriating money;
 1.4 amending Minnesota Statutes 2010, sections 120B.13, subdivision 4; 124D.09,
 1.5 subdivisions 9, 10, 12, 24; 135A.101, subdivision 1; 471.975; Minnesota Statutes
 1.6 2011 Supplement, sections 120B.07; 120B.08; 120B.09; 120B.36, subdivision 1;
 1.7 124D.09, subdivision 5; 126C.126; 126C.40, subdivision 1; Laws 2011, First
 1.8 Special Session chapter 11, article 5, section 11; article 7, section 2, subdivision
 1.9 8; repealing Minnesota Statutes 2010, section 124D.09, subdivision 23.

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

1.11 Section 1. Minnesota Statutes 2011 Supplement, section 120B.07, is amended to read:

1.12 **120B.07 EARLY GRADUATION.**

1.13 ~~(a)~~ Notwithstanding any law to the contrary, any secondary school student who has
 1.14 completed all required courses or standards may, with the approval of the student, the
 1.15 student's parent or guardian, and local school officials, graduate before the completion
 1.16 of the school year.

1.17 ~~(b) General education revenue attributable to the student must be paid as though~~
 1.18 ~~the student was in attendance for the entire year unless the student participates in the~~
 1.19 ~~early graduation achievement scholarship program under section 120B.08 or the early~~
 1.20 ~~graduation military service award program under section 120B.09.~~

1.21 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

1.22 Sec. 2. Minnesota Statutes 2011 Supplement, section 120B.08, is amended to read:

1.23 **120B.08 EARLY GRADUATION ACHIEVEMENT SCHOLARSHIP**
 1.24 **PROGRAM.**

2.1 Subdivision 1. **Participation.** A student who qualifies for early graduation under
2.2 section 120B.07, who meets the criteria in subdivision 1a and who has not participated in
2.3 the early graduation military service award program under section 120B.09, is eligible to
2.4 participate in the early graduation achievement scholarship program.

2.5 Subd. 1a. **Eligible student.** For purposes of this section, an eligible student is a
2.6 secondary student enrolled in a Minnesota public school who, at the time of graduation,
2.7 generated Minnesota general education revenue and who graduates prior to the end of the
2.8 fourth school year after first enrolling in ninth grade.

2.9 Subd. 2. **Scholarship amounts.** A student who participates in the early graduation
2.10 achievement scholarship program is eligible for a scholarship of \$2,500 if the student
2.11 ~~qualifies for graduation~~ graduates one semester or two trimesters early, \$5,000 if the
2.12 student ~~qualifies for graduation~~ graduates two semesters or three or four trimesters early,
2.13 or \$7,500 if the student ~~qualifies for graduation~~ graduates three or more semesters or five
2.14 or more trimesters early. Participation in the optional summer term, extended day sessions,
2.15 and intersessions of a state-approved learning year program under section 124D.128 are
2.16 considered a quarter for purposes of computing scholarship amounts.

2.17 Subd. 3. **Scholarship uses.** An early graduation achievement scholarship may be
2.18 used at any ~~accredited~~ institution of higher education accredited by an accrediting agency
2.19 recognized by the United States Department of Education.

2.20 Subd. 4. **Application.** A qualifying student may apply to the commissioner of
2.21 education for an early graduation achievement scholarship. The application must be in the
2.22 form and manner specified by the commissioner and must be received at the department
2.23 within two calendar years of the date of graduation. Upon verification of the qualifying
2.24 student's course completion necessary for graduation, the department must issue the
2.25 student a certificate showing the student's scholarship amount.

2.26 Subd. 5. **Enrollment verification.** A student who qualifies under this section
2.27 and enrolls in an accredited higher education institution must submit a form to the
2.28 commissioner verifying the student's enrollment in the higher education institution and the
2.29 tuition charges for that semester. Within ~~15~~ 45 days of receipt of a student's enrollment
2.30 and tuition verification form, the commissioner must issue a scholarship check to the
2.31 ~~student~~ higher education institution in the lesser of the tuition amount for that semester
2.32 or the maximum amount of the student's early graduation achievement scholarship. A
2.33 student may continue to submit enrollment verification forms to the commissioner until
2.34 the student has used the full amount of the student's graduation achievement scholarship or
2.35 six years from the date of the student's graduation, whichever occurs first. The scholarship
2.36 cannot be renewed.

3.1 Subd. 6. **General education money transferred.** The commissioner must transfer
3.2 the amounts necessary to fund the early graduation achievement scholarships from the
3.3 general education aid appropriation for that year.

3.4 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

3.5 Sec. 3. Minnesota Statutes 2011 Supplement, section 120B.09, is amended to read:

3.6 **120B.09 EARLY GRADUATION MILITARY SERVICE AWARD PROGRAM.**

3.7 Subdivision 1. **Eligibility.** For purposes of this section, "eligible person" means a
3.8 secondary student enrolled in any Minnesota public school who, at the time of graduation,
3.9 generated Minnesota general education revenue, who qualifies for early graduation under
3.10 section 120B.07, who graduated prior to the end of the fourth school year after first
3.11 enrolling in ninth grade, who has not participated in the early graduation achievement
3.12 scholarship program under section 120B.08, and who, before the end of the calendar
3.13 year of the student's graduation, enters into active service in either the active or reserve
3.14 component of the United States armed forces and deploys for 60 days or longer to a
3.15 military base or installation outside Minnesota for the purpose of attending basic military
3.16 training or military school and, if required by the military, performing other military duty.
3.17 The active service may be in accordance with United States Code, title 10 or title 32.

3.18 Subd. 2. **Application.** An eligible person may apply to the commissioner of
3.19 education for an early graduation military service bonus. The application must be in the
3.20 form and manner specified by the commissioner and must be received at the department
3.21 within two calendar years of the date of graduation.

3.22 Subd. 3. **Verification and award.** The request for payment must be received at
3.23 the department by the end of the fiscal year following the fiscal year in which the student
3.24 graduated. Upon verification of the qualifying student's course completion necessary for
3.25 graduation and eligibility for the military service bonus, the commissioner must issue
3.26 payment to that person. Payment amounts must be determined according to section
3.27 120B.08, subdivision 2. Once the original amount of the award has been paid, it cannot be
3.28 renewed.

3.29 **EFFECTIVE DATE.** This section is effective for fiscal year 2012 and later.

3.30 Sec. 4. Minnesota Statutes 2010, section 120B.13, subdivision 4, is amended to read:

3.31 Subd. 4. **Rigorous course taking information; AP, IB, and PSEO.** The
3.32 commissioner shall submit the following information on rigorous course taking to the
3.33 education committees of the legislature each year by February 1:

4.1 (1) the number of pupils enrolled in postsecondary enrollment options under
4.2 section 124D.09, including concurrent enrollment, advanced placement, and international
4.3 baccalaureate courses in each school district;

4.4 (2) the number of teachers in each district attending training programs offered by
4.5 the college board ~~or~~, International Baccalaureate North America, Inc., or Minnesota
4.6 concurrent enrollment programs;

4.7 (3) the number of teachers in each district participating in support programs;

4.8 (4) recent trends in the field of postsecondary enrollment options under section
4.9 124D.09, including concurrent enrollment, advanced placement, and international
4.10 baccalaureate programs;

4.11 (5) expenditures for each category in this section and under sections 124D.09 and
4.12 124D.091; and

4.13 (6) other recommendations for the state program or the postsecondary enrollment
4.14 options under section 124D.09, including concurrent enrollment.

4.15 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and
4.16 later.

4.17 Sec. 5. Minnesota Statutes 2011 Supplement, section 120B.36, subdivision 1, is
4.18 amended to read:

4.19 Subdivision 1. **School performance report cards.** (a) The commissioner
4.20 shall report student academic performance under section 120B.35, subdivision 2; the
4.21 percentages of students showing low, medium, and high growth under section 120B.35,
4.22 subdivision 3, paragraph (b); school safety and student engagement and connection
4.23 under section 120B.35, subdivision 3, paragraph (d); rigorous coursework under section
4.24 120B.35, subdivision 3, paragraph (c); two separate student-to-teacher ratios that clearly
4.25 indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for
4.26 purposes of determining these ratios; staff characteristics excluding salaries; student
4.27 enrollment demographics; district mobility; and extracurricular activities. The report also
4.28 must indicate a school's adequate yearly progress status, and must not set any designations
4.29 applicable to high- and low-performing schools due solely to adequate yearly progress
4.30 status. For purposes of accurately reporting performance data under this section, the
4.31 commissioner and district and school personnel must ensure that each administration of a
4.32 statewide assessment provide eligible students with disabilities with all accommodations
4.33 required by law, including auxiliary aids to ensure effective communication, so that these
4.34 students have equal access to and benefit from the assessment.

5.1 (b) The commissioner shall develop, annually update, and post on the department
5.2 Web site school performance report cards as described in paragraph (f).

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

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

5.8 (e) School performance report card data are nonpublic data under section 13.02,
5.9 subdivision 9, until the commissioner publicly releases the data. The commissioner shall
5.10 annually post school performance report cards to the department's public Web site no later
5.11 than September 1, except that in years when the report card reflects new performance
5.12 standards, the commissioner shall post the school performance report cards no later than
5.13 October 1.

5.14 (f) The commissioner, for each school district and each school required to report
5.15 under this subdivision, must at least:

5.16 (1) title the commissioner's report "School Performance Report Card";

5.17 (2) display all required information on a single, easily accessible and understandable
5.18 Web page;

5.19 (3) using longitudinal data to display results over time, compare and display
5.20 corresponding state and local indicators on student proficiency in reading and math by
5.21 grade, school and district value-added ratings, the number and percentage of schools and
5.22 districts making or not making adequate yearly progress by student categories, state and
5.23 local value-added growth data, a school or district identified for improvement and years
5.24 in improvement status, and state and local attendance and graduation rates by student
5.25 categories; and

5.26 (4) display any accountability measures or ratings required by federal law or a
5.27 federally approved waiver of that law.

5.28 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and
5.29 later.

5.30 Sec. 6. Minnesota Statutes 2011 Supplement, section 124D.09, subdivision 5, is
5.31 amended to read:

5.32 Subd. 5. **Authorization; notification.** (a) Notwithstanding any other law to the
5.33 contrary, an 11th or 12th grade pupil enrolled in a school or an American Indian-controlled
5.34 tribal contract or grant school eligible for aid under section 124D.83, except a foreign
5.35 exchange pupil enrolled in a district under a cultural exchange program, may apply to an

6.1 eligible institution, as defined in subdivision 3, to enroll in nonsectarian academic and
6.2 career and technical courses offered by that postsecondary institution.

6.3 (b) Notwithstanding any other law to the contrary, a 9th or 10th grade pupil enrolled
6.4 in a district or an American Indian-controlled tribal contract or grant school eligible for
6.5 aid under section 124D.83, except a foreign exchange pupil enrolled in a district under a
6.6 cultural exchange program, may apply to enroll in nonsectarian academic and career and
6.7 technical courses offered under subdivision 10, if after all 11th and 12th grade students
6.8 have applied for a course, additional students are necessary to offer the course.

6.9 (c) If an institution accepts a secondary pupil for enrollment under this section, the
6.10 institution shall send written notice to the pupil, the pupil's school or school district, and
6.11 the commissioner within ten days of acceptance. The notice must indicate the course
6.12 and hours of enrollment of that pupil. If the pupil enrolls in a course for postsecondary
6.13 credit, the institution must notify the pupil about payment in the customary manner used
6.14 by the institution.

6.15 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and
6.16 later.

6.17 Sec. 7. Minnesota Statutes 2010, section 124D.09, subdivision 9, is amended to read:

6.18 Subd. 9. **Enrollment priority.** A postsecondary institution shall give priority to
6.19 its postsecondary students when enrolling 11th and 12th grade pupils in its courses. A
6.20 postsecondary institution may provide information about its programs to a secondary
6.21 school or to a pupil or parent, ~~but it may not advertise or otherwise recruit or solicit~~
6.22 ~~the participation of secondary pupils to enroll in its programs on financial grounds.~~

6.23 An institution must not enroll secondary pupils, for postsecondary enrollment options
6.24 purposes, in remedial, developmental, or other courses that are not college level. Once a
6.25 pupil has been enrolled in a postsecondary course under this section, the pupil shall not
6.26 be displaced by another student.

6.27 Sec. 8. Minnesota Statutes 2010, section 124D.09, subdivision 10, is amended to read:

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

7.1 apply to a pupil, public school board, district, and the governing body of a postsecondary
7.2 institution, except as otherwise provided.

7.3 (b) Participating public school boards, districts, and eligible institutions may enter
7.4 into an academic and career and technical education joint partnership with local or regional
7.5 businesses or other entrepreneurs to help interested students pursue both academic and
7.6 career and technical courses leading to an industry credential and a successful transition to
7.7 postsecondary career and college education.

7.8 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and
7.9 later.

7.10 Sec. 9. Minnesota Statutes 2010, section 124D.09, subdivision 12, is amended to read:

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

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

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

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

8.7 The Board of Trustees of the Minnesota State Colleges and Universities and
 8.8 the Board of Regents of the University of Minnesota must, and private nonprofit and
 8.9 proprietary postsecondary institutions should, award postsecondary credit for any
 8.10 successfully completed courses in a program certified by the National Alliance of
 8.11 Concurrent Enrollment Partnerships offered according to an agreement under subdivision
 8.12 10.

8.13 Sec. 10. Minnesota Statutes 2010, section 124D.09, subdivision 24, is amended to read:

8.14 Subd. 24. **Limit; state obligation.** The provisions of subdivisions 13, 19, and
 8.15 ~~22, and 23~~ shall not apply for any postsecondary courses in which a pupil is enrolled in
 8.16 addition to being enrolled full time in that pupil's district or for any postsecondary course
 8.17 in which a pupil is enrolled for postsecondary credit. The pupil is enrolled full time if
 8.18 the pupil attends credit-bearing classes in the high school or high school program for
 8.19 all of the available hours of instruction.

8.20 **EFFECTIVE DATE.** This section is effective for the 2012-2013 school year and
 8.21 later.

8.22 Sec. 11. Minnesota Statutes 2011 Supplement, section 126C.126, is amended to read:

8.23 **126C.126 REALLOCATING GENERAL EDUCATION REVENUE FOR**
 8.24 **ALL-DAY KINDERGARTEN AND PREKINDERGARTEN.**

8.25 ~~(a) In order to provide additional revenue for an optional all-day kindergarten~~
 8.26 ~~program, a district may reallocate general education revenue attributable to 12th grade~~
 8.27 ~~students who have graduated early under section 120B.07 and who do not participate in~~
 8.28 ~~the early graduation achievement scholarship program under section 120B.08 or the early~~
 8.29 ~~graduation military service award program under section 120B.09.~~

8.30 ~~(b)~~ A school district may spend general education revenue on extended time
 8.31 kindergarten and prekindergarten programs.

9.1 Sec. 12. Minnesota Statutes 2011 Supplement, section 126C.40, subdivision 1, is
9.2 amended to read:

9.3 Subdivision 1. **To lease building or land.** (a) When an independent or a special
9.4 school district or a group of independent or special school districts finds it economically
9.5 advantageous to rent or lease a building or land for any instructional purposes or for
9.6 school storage or furniture repair, and it determines that the operating capital revenue
9.7 authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may
9.8 apply to the commissioner for permission to make an additional capital expenditure levy
9.9 for this purpose. An application for permission to levy under this subdivision must contain
9.10 financial justification for the proposed levy, the terms and conditions of the proposed
9.11 lease, and a description of the space to be leased and its proposed use.

9.12 (b) The criteria for approval of applications to levy under this subdivision must
9.13 include: the reasonableness of the price, the appropriateness of the space to the proposed
9.14 activity, the feasibility of transporting pupils to the leased building or land, conformity
9.15 of the lease to the laws and rules of the state of Minnesota, and the appropriateness of
9.16 the proposed lease to the space needs and the financial condition of the district. The
9.17 commissioner must not authorize a levy under this subdivision in an amount greater than
9.18 the cost to the district of renting or leasing a building or land for approved purposes.
9.19 The proceeds of this levy must not be used for custodial or other maintenance services.
9.20 A district may not levy under this subdivision for the purpose of leasing or renting a
9.21 district-owned building or site to itself.

9.22 (c) For agreements finalized after July 1, 1997, a district may not levy under this
9.23 subdivision for the purpose of leasing: (1) a newly constructed building used primarily
9.24 for regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
9.25 building addition or additions used primarily for regular kindergarten, elementary, or
9.26 secondary instruction that contains more than 20 percent of the square footage of the
9.27 previously existing building.

9.28 (d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
9.29 purpose of leasing or renting a district-owned building or site to itself only if the amount
9.30 is needed by the district to make payments required by a lease purchase agreement,
9.31 installment purchase agreement, or other deferred payments agreement authorized by law,
9.32 and the levy meets the requirements of paragraph (c). A levy authorized for a district by
9.33 the commissioner under this paragraph may be in the amount needed by the district to
9.34 make payments required by a lease purchase agreement, installment purchase agreement,
9.35 or other deferred payments agreement authorized by law, provided that any agreement

10.1 include a provision giving the school districts the right to terminate the agreement
10.2 annually without penalty.

10.3 (e) The total levy under this subdivision for a district for any year must not exceed
10.4 \$150 times the resident pupil units for the fiscal year to which the levy is attributable.

10.5 (f) For agreements for which a review and comment have been submitted to the
10.6 Department of Education after April 1, 1998, the term "instructional purpose" as used in
10.7 this subdivision excludes expenditures on stadiums.

10.8 (g) The commissioner of education may authorize a school district to exceed the
10.9 limit in paragraph (e) if the school district petitions the commissioner for approval. The
10.10 commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
10.11 for not more than five years if the district meets the following criteria:

10.12 (1) the school district has been experiencing pupil enrollment growth in the
10.13 preceding five years;

10.14 (2) the purpose of the increased levy is in the long-term public interest;

10.15 (3) the purpose of the increased levy promotes colocation of government services;

10.16 and

10.17 (4) the purpose of the increased levy is in the long-term interest of the district by
10.18 avoiding over construction of school facilities.

10.19 (h) A school district that is a member of an intermediate school district may include
10.20 in its authority under this section the costs associated with leases of administrative and
10.21 classroom space for intermediate school district programs. This authority must not exceed
10.22 \$43 times the adjusted marginal cost pupil units of the member districts. This authority is
10.23 in addition to any other authority authorized under this section.

10.24 (i) In addition to the allowable capital levies in paragraph (a), for taxes payable in
10.25 2012, a district that is a member of the "Technology and Information Education Systems"
10.26 data processing joint board, that finds it economically advantageous to enter into a lease
10.27 agreement to finance improvements to a building for a group of school districts or special
10.28 school districts for staff development purposes, may levy for its portion of lease costs
10.29 attributed to the district within the total levy limit in paragraph (e). The total levy authority
10.30 under this paragraph shall not exceed \$632,000.

10.31 (j) Notwithstanding paragraph (a), a district may levy under this subdivision for the
10.32 purpose of leasing administrative space if the district can demonstrate to the satisfaction of
10.33 the commissioner that the lease cost for the administrative space is no greater than the
10.34 lease cost for instructional space that the district would otherwise lease. The commissioner
10.35 must deny this levy authority unless the district passes a resolution stating its intent to
10.36 lease instructional space under this section if the commissioner does not grant authority

11.1 under this paragraph. The resolution must also certify that the lease cost for administrative
11.2 space under this paragraph is no greater than the lease cost for the district's proposed
11.3 instructional lease.

11.4 Sec. 13. Minnesota Statutes 2010, section 135A.101, subdivision 1, is amended to read:

11.5 Subdivision 1. **Requirements for participation.** To participate in the postsecondary
11.6 enrollment options program, a college or university must abide by the provisions in this
11.7 section. The institution may provide information about its programs to a secondary school
11.8 or to a pupil or parent, ~~but may not recruit or solicit participation on financial grounds.~~

11.9 Sec. 14. Minnesota Statutes 2010, section 471.975, is amended to read:

11.10 **471.975 MAY PAY DIFFERENTIAL OF RESERVE ON ACTIVE DUTY.**

11.11 (a) Except as provided in paragraph (b), a statutory or home rule charter city, county,
11.12 town, or other political subdivision may pay to each eligible member of the National
11.13 Guard or other reserve component of the armed forces of the United States an amount
11.14 equal to the difference between the member's base active duty military salary and the
11.15 salary the member would be paid as an active political subdivision employee, including
11.16 any adjustments the member would have received if not on leave of absence. This
11.17 payment may be made only to a person whose base active duty military salary is less than
11.18 the salary the person would be paid as an active political subdivision employee. Back pay
11.19 authorized by this section may be paid in a lump sum. Payment under this section must
11.20 not extend beyond four years from the date the employee reported for active service, plus
11.21 any additional time the employee may be legally required to serve.

11.22 (b) ~~Subject to the limits under paragraph (g),~~ Each school district shall pay to each
11.23 eligible member of the National Guard or other reserve component of the armed forces
11.24 of the United States an amount equal to the difference between the member's base active
11.25 duty military salary and the salary the member would be paid as an active school district
11.26 employee, including any adjustments the member would have received if not on leave
11.27 of absence. The pay differential must be based on a comparison between the member's
11.28 daily base rate of active duty pay, calculated by dividing the member's base military
11.29 monthly salary by the number of paid days in the month, and the member's daily rate of
11.30 pay for the member's school district salary, calculated by dividing the member's total
11.31 school district salary by the number of contract days. The member's salary as a school
11.32 district employee must include the member's basic salary and any additional salary the
11.33 member earns from the school district for cocurricular and extracurricular activities. The
11.34 differential payment under this paragraph must be the difference between the daily base

12.1 rates of military pay times the number of school district contract days the member misses
12.2 because of military active duty. This payment may be made only to a person whose daily
12.3 base rate of active duty pay is less than the person's daily rate of pay as an active school
12.4 district employee. Payments may be made at the intervals at which the member received
12.5 pay as a school district employee. Payment under this section must not extend beyond
12.6 four years from the date the employee reported for active service, plus any additional time
12.7 the employee may be legally required to serve.

12.8 (c) An eligible member of the reserve components of the armed forces of the United
12.9 States is a reservist or National Guard member who was an employee of a political
12.10 subdivision at the time the member reported for active service on or after May 29, 2003,
12.11 or who is on active service on May 29, 2003.

12.12 (d) Except as provided in paragraph (e) and elsewhere in Minnesota Statutes, a
12.13 statutory or home rule charter city, county, town, or other political subdivision has total
12.14 discretion regarding employee benefit continuation for a member who reports for active
12.15 service and the terms and conditions of any benefit.

12.16 (e) A school district must continue the employee's enrollment in health and dental
12.17 coverage, and the employer contribution toward that coverage, until the employee is
12.18 covered by health and dental coverage provided by the armed forces. If the employee had
12.19 elected dependent coverage for health or dental coverage as of the time that the employee
12.20 reported for active service, a school district must offer the employee the option to continue
12.21 the dependent coverage at the employee's own expense. A school district must permit
12.22 the employee to continue participating in any pretax account in which the employee
12.23 participated when the employee reported for active service, to the extent of employee pay
12.24 available for that purpose.

12.25 (f) For purposes of this section, "active service" has the meaning given in section
12.26 190.05, subdivision 5, but excludes service performed exclusively for purposes of:

12.27 (1) basic combat training, advanced individual training, annual training, and periodic
12.28 inactive duty training;

12.29 (2) special training periodically made available to reserve members; and

12.30 (3) service performed in accordance with section 190.08, subdivision 3.

12.31 ~~(g) A school district making payments under paragraph (b) shall place a sum equal~~
12.32 ~~to any difference between the amount of salary that would have been paid to the employee~~
12.33 ~~who is receiving the payments and the amount of salary being paid to substitutes for~~
12.34 ~~that employee into a special fund that must be used to pay or partially pay the deployed~~
12.35 ~~employee's payments under paragraph (b). A school district is required to pay only this~~
12.36 ~~amount to the deployed school district employee. When an employee of a school district~~

13.1 who as a member of the National Guard or any other reserve unit of the United States
 13.2 armed forces, reports for active service as defined in section 190.05, subdivision 5, the
 13.3 district must place into a special service members' aggregate salary savings account the
 13.4 amount of salary the district would have paid to the employee during the employee's leave
 13.5 for military service. The district must use the combined proceeds in the account only to
 13.6 fully pay the salary differentials of all eligible deployed employees in the district, as
 13.7 determined under paragraph (b). Funds remaining in the account at the end of the fiscal
 13.8 year after all obligations to employees under this statute have been satisfied may be used
 13.9 to pay for substitutes for the deployed employees, and then for any other purpose.

13.10 **EFFECTIVE DATE.** This section is effective July 1, 2012, for school district
 13.11 employees serving in active military duty on or after that date.

13.12 Sec. 15. Laws 2011, First Special Session chapter 11, article 5, section 11, is amended
 13.13 to read:

13.14 Sec. 11. **FUND TRANSFER; FISCAL YEARS 2012 ~~AND 2013~~ THROUGH**
 13.15 **2015 ONLY.**

13.16 (a) Notwithstanding Minnesota Statutes, section 123B.80, subdivision 3, for fiscal
 13.17 years 2012 ~~and 2013~~ through 2015 only, the commissioner must approve a request for a
 13.18 fund transfer if the transfer does not increase state aid obligations to the district or result in
 13.19 additional property tax authority for the district. This section does not permit transfers
 13.20 from the community service fund or the food service fund.

13.21 (b) A school board may approve a fund transfer under paragraph (a) only after
 13.22 adopting a resolution stating the fund transfer will not diminish instructional opportunities
 13.23 for students.

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

13.25 Sec. 16. Laws 2011, First Special Session chapter 11, article 7, section 2, subdivision
 13.26 8, is amended to read:

13.27 Subd. 8. **Early childhood education scholarships.** For grants to early childhood
 13.28 education scholarships for public or private early childhood preschool programs for
 13.29 children ages 3 to 5:

13.30 \$ 4,000,000 2013

13.31 (a) All children whose parents or legal guardians meet the eligibility requirements
 13.32 of paragraph (b) established by the commissioner are eligible to receive early childhood
 13.33 education scholarships under this section.

14.1 (b) A parent or legal guardian is eligible for an early childhood education
14.2 scholarship, to be used for a program provider of the parents' or legal guardians' choice, if
14.3 the parent or legal guardian:

14.4 (1) has a child three or four years of age on September 1, beginning in calendar
14.5 year 2012; and

14.6 (2)(i) has income equal to or less than 47 percent of the state median income in the
14.7 current calendar year; or

14.8 (ii) can document their child's identification through another public funding
14.9 eligibility process, including the Free and Reduced Price Lunch Program, National School
14.10 Lunch Act, United States Code, title 42, section 1751, part 210; Head Start under federal
14.11 Improving Head Start for School Readiness Act of 2007; Minnesota family investment
14.12 program under chapter 256J; and child care assistance programs under chapter 119B.

14.13 (c) Of the amount appropriated under this section, \$250,000 is for a grant to the
14.14 parent-child home program.

14.15 (d) Each year, the Department of Education must award one-half of the early
14.16 childhood education scholarship money to parents and legal guardians who reside in the
14.17 seven-county metropolitan area and the other half to parents and legal guardians who live
14.18 in greater Minnesota. If any money remains from either half after the initial applications,
14.19 the commissioner may use that money to make early education scholarships in the
14.20 other region. If this appropriation is insufficient to provide early childhood education
14.21 scholarships to all eligible children, the Department of Education shall make scholarships
14.22 available on a first-come, first-served basis within each of the two geographic regions of
14.23 the state.

14.24 (e) The commissioner of education shall submit a written report to the education
14.25 committees of the legislature by January 15, 2012, describing its plan for implementation
14.26 of scholarships under this subdivision for the 2012-2013 school year.

14.27 (f) Any balance in the first year does not cancel but is available in the second year.

14.28 (g) The base for this program is \$2,000,000 each year.

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

14.30 Sec. 17. **ONE-YEAR LICENSES.**

14.31 Notwithstanding Minnesota Statutes 2010, section 122A.18, subdivision 2, as
14.32 amended by Laws 2012, chapter 122, section 2, a person who has:

14.33 (1) obtained a one-year license to teach; and

14.34 (2) taught in a language immersion program during the 2011-2012 school year;

15.1 may be approved by the Board of Teaching to continue to teach through the end of the
15.2 2013-2014 school year.

15.3 **EFFECTIVE DATE.** This section is effective retroactively from February 22, 2012.

15.4 Sec. 18. **CAREER AND TECHNICAL EDUCATION ADVISORY TASK**
15.5 **FORCE.**

15.6 (a) A career and technical education advisory task force is established to develop
15.7 recommendations for better integrating career and technical education into kindergarten
15.8 through grade 12 curriculum and instruction, improving teachers' ability to help students
15.9 prepare for college and careers by measures that include increasing the number of
15.10 teachers with a master's degree in a content area directly related to the teachers'
15.11 teaching assignment, and successfully meeting 21st century challenges through a more
15.12 comprehensive approach to kindergarten through grade 12 education that includes
15.13 expanded work-based learning opportunities and opportunities for 9th and 10th grade
15.14 students to participate in postsecondary enrollment options under Minnesota Statutes,
15.15 section 124D.09. The advisory task force must at least examine the role of school
15.16 administrators, teachers, policy makers, and others in:

15.17 (1) expecting career and technical education to provide students with high levels of
15.18 skills and academic proficiency;

15.19 (2) using career and technical education to improve students' mathematics scores;

15.20 (3) understanding how the federal No Child Left Behind Act limits a student's ability
15.21 to pursue career and technical education; and

15.22 (4) remedying the absence of and need for access to tools and equipment to provide
15.23 students with hands-on learning.

15.24 (b) Advisory task force members must include representatives of the following
15.25 entities selected by that entity: the Minnesota Association of Career and Technical
15.26 Administrators; the Minnesota Association for Career and Technical Education; the
15.27 Minnesota School Counselors Association; University of Minnesota and Minnesota State
15.28 Colleges and Universities faculty working to develop career and technical educators
15.29 in Minnesota; the National Research Center for Career and Technical Education; the
15.30 Department of Education; the Board of Teaching; the Minnesota Association of Colleges
15.31 for Teacher Education; and any other representatives selected by the task force members.
15.32 The education commissioner, or the commissioner's designee, must convene the task
15.33 force. Task force members are not eligible for compensation or reimbursement for
15.34 expenses related to task force activities.

16.1 (c) The commissioner, upon request, must provide technical assistance to the task
 16.2 force.

16.3 (d) The task force must submit its recommendations under this section to the
 16.4 legislative committees with jurisdiction over kindergarten through grade 12 education by
 16.5 February 15, 2013.

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

16.7 Sec. 19. **REPORT; NO CHILD LEFT BEHIND ACT 2012 WAIVER**
 16.8 **IMPLEMENTATION COST.**

16.9 The commissioner of education must submit to the K-12 education committees of
 16.10 the legislature by February 15, 2013, a written report containing an up-to-date plan for
 16.11 fully implementing the federally approved 2012 No Child Left Behind Act waiver, a
 16.12 summary of state and local costs and all public and nonpublic expenditures to-date related
 16.13 to that implementation, a projected estimate of all remaining future costs related to fully
 16.14 implementing the federal waiver, and all revenue savings resulting from implementing
 16.15 the 2012 federal waiver instead of the No Child Left Behind Act as it would apply to
 16.16 Minnesota without the waiver.

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

16.18 Sec. 20. **APPROPRIATION.**

16.19 Subdivision 1. **Department of Education.** The sums shown are added to or, if
 16.20 shown in parentheses, subtracted from, the appropriations in Laws 2011, First Special
 16.21 Session chapter 11, or any appropriation that replaces those appropriations, to the
 16.22 Department of Education for the purposes specified. The appropriations are from the
 16.23 general fund, or another named fund, and are available for the fiscal years indicated for
 16.24 each purpose.

16.25 Subd. 2. **General education aid.** For general education aid under Minnesota
 16.26 Statutes, section 126C.13, subdivision 4:

16.27 § (340,000) 2012
 16.28 § (669,000) 2013

16.29 Subd. 3. **Bemidji pupil transportation grant.** For a pupil transportation grant to
 16.30 Independent School District No. 31, Bemidji:

16.31 § 250,000 2013

17.1 This is a onetime appropriation.

17.2 Subd. 4. **Department of Education.** For the Department of Education for additional
17.3 support and staffing related to digital and online learning:

17.4 § 51,000 2013

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

17.6 Sec. 21. **REPEALER.**

17.7 Minnesota Statutes 2010, section 124D.09, subdivision 23, is repealed effective
17.8 for the 2012-2013 school year and later.

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