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The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight

1.1 A bill for an act
1.2 relating to education finance; establishing a shared services purchasing program;
1.3 requiring all school districts and charter schools to participate in the shared
1.4 services program; requiring the Department of Education to administer the shared
1.5 services program; requiring the Department of Education to enter a contract with
1.6 a vendor to establish the shared services program; establishing a deduction from
1.7 the general education program; setting state and district technology guidelines;
1.8 creating a quality rating and improvement system; updating annual report on
1.9 district passage rate; clarifying the definition of comprehensive scientifically
1.10 based reading instruction; making requirements of kindergarten and elementary
1.11 teachers; appropriating money; amending Minnesota Statutes 2008, sections
1.12 122A.06, subdivision 4; 122A.18, subdivisions 2, 2a, by adding a subdivision;
1.13 123B.143, subdivision 1; proposing coding for new law in Minnesota Statutes,
1.14 chapters 123B; 124D; 125B; 127A.

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

1.16 Section 1. Minnesota Statutes 2008, section 122A.06, subdivision 4, is amended to
1.17 read:

1.18 Subd. 4. **Comprehensive, scientifically based reading instruction.** (a)
1.19 "Comprehensive, scientifically based reading instruction" includes a program or collection
1.20 of instructional practices that is based on ~~reliable~~, valid, replicated evidence showing
1.21 that when these programs or practices are used, students can be expected to achieve, at
1.22 a minimum, satisfactory reading progress. The program or collection of practices must
1.23 include, at a minimum, instruction in five areas of reading: phonemic awareness, phonics,
1.24 fluency, vocabulary development, and ~~text~~ reading comprehension.

1.25 Comprehensive, scientifically based reading instruction also includes and integrates
1.26 instructional strategies for continuously assessing, evaluating, and communicating
1.27 the student's reading progress and needs in order to design and implement ongoing

2.1 interventions so that students of all ages and proficiency levels can read and comprehend
2.2 text and apply higher level thinking skills.

2.3 (b) "Phonemic awareness" is the ability of students to notice, think about, and
2.4 manipulate the individual sounds in spoken syllables and words.

2.5 (c) "Phonics" is the understanding that there are systematic and predictable
2.6 relationships between written letters and spoken words. Phonics instruction is a way
2.7 of teaching reading that stresses learning how letters correspond to sounds and how to
2.8 apply this knowledge in reading and spelling.

2.9 (d) "Fluency" is the ability of students to be able to read text with speed, accuracy,
2.10 and proper expression.

2.11 (e) "Vocabulary development" is the process of teaching vocabulary both directly
2.12 and indirectly, with repetition and multiple exposures to vocabulary items. Learning
2.13 in rich contexts, incidental learning, and use of computer technology all enhance the
2.14 acquisition of vocabulary.

2.15 (f) "Reading comprehension" is an active process that requires intentional thinking
2.16 during which meaning is constructed through interactions between text and reader.
2.17 Comprehension skills are taught explicitly by demonstrating, explaining, modeling, and
2.18 implementing specific cognitive strategies to help beginning readers derive meaning by
2.19 intentional, problem-solving thinking processes.

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

2.21 Sec. 2. Minnesota Statutes 2008, section 122A.18, subdivision 2, is amended to read:

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

2.25 (b) The board must require a person to successfully complete an examination of
2.26 skills in reading, writing, and mathematics before being granted an initial teaching license
2.27 to provide direct instruction to pupils in prekindergarten, elementary, secondary, or special
2.28 education programs. In addition, the board must require a person to successfully complete
2.29 an assessment of reading instruction consistent with subdivision 2c before being granted
2.30 an initial teaching license to provide direct instruction to pupils in prekindergarten or
2.31 elementary programs. The board must require colleges and universities offering a board
2.32 approved teacher preparation program to provide remedial assistance that includes a
2.33 formal diagnostic component to persons enrolled in their institution who did not achieve
2.34 a qualifying score on the skills examination or an assessment of reading instruction,
2.35 including those for whom English is a second language. The colleges and universities

3.1 must provide assistance in the specific academic areas of deficiency in which the person
3.2 did not achieve a qualifying score. School districts must provide similar, appropriate, and
3.3 timely remedial assistance that includes a formal diagnostic component and mentoring to
3.4 those persons employed by the district who completed their teacher education program
3.5 outside the state of Minnesota, received a one-year license to teach in Minnesota and did
3.6 not achieve a qualifying score on the skills examination, including those persons for
3.7 whom English is a second language. The Board of Teaching shall report annually to the
3.8 education committees of the legislature on the total number of teacher candidates during
3.9 the most recent school year taking the skills examination, the number who achieve a
3.10 qualifying score on the examination, the number who do not achieve a qualifying score on
3.11 the examination, the distribution of all candidates' scores, the number of candidates who
3.12 have taken the examination at least once before, and the number of candidates who have
3.13 taken the examination at least once before and achieve a qualifying score.

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

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

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

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

3.26 (e) All colleges and universities approved by the board of teaching to prepare
3.27 persons for teacher licensure must include in their teacher preparation programs a common
3.28 core of teaching knowledge and skills to be acquired by all persons recommended
3.29 for teacher licensure. This common core shall meet the standards developed by the
3.30 interstate new teacher assessment and support consortium in its 1992 "model standards for
3.31 beginning teacher licensing and development." Amendments to standards adopted under
3.32 this paragraph are covered by chapter 14. The board of teaching shall report annually to
3.33 the education committees of the legislature on the performance of teacher candidates
3.34 on common core assessments of knowledge and skills under this paragraph during the
3.35 most recent school year.

3.36 **EFFECTIVE DATE.** This section is effective January 1, 2011.

4.1 Sec. 3. Minnesota Statutes 2008, section 122A.18, subdivision 2a, is amended to read:

4.2 Subd. 2a. **Reading strategies.** (a) All colleges and universities approved by the
4.3 Board of Teaching to prepare persons for classroom teacher licensure must include in
4.4 their teacher preparation programs research-based best practices in reading, consistent
4.5 with section 122A.06, subdivision 4, that enable the licensure candidate to know how to
4.6 teach reading in the candidate's content areas and prepare the licensure candidate, where
4.7 applicable, for an assessment of reading instruction.

4.8 (b) Board-approved teacher preparation programs for teachers of elementary
4.9 education must require instruction in the application of comprehensive, scientifically
4.10 based, ~~and balanced~~ reading instruction programs that:

4.11 (1) teach students to read using foundational knowledge, practices, and strategies
4.12 consistent with section 122A.06, subdivision 4, so that all students will achieve continuous
4.13 progress in reading; and

4.14 (2) teach specialized instruction in reading strategies, interventions, and remediations
4.15 that enable students of all ages and proficiency levels to become proficient readers.

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

4.17 Sec. 4. Minnesota Statutes 2008, section 122A.18, is amended by adding a subdivision
4.18 to read:

4.19 Subd. 2c. **Assessment of reading instruction.** An assessment of reading instruction,
4.20 selected by the Board of Teaching, in cooperation with the commissioner of education,
4.21 must measure, at a minimum, the knowledge, skill, and ability of prekindergarten and
4.22 elementary licensure candidates in comprehensive, scientifically based reading instruction
4.23 as defined in section 122A.06. Test content areas must assess foundations of reading
4.24 development, development of reading comprehension, reading assessment and instruction,
4.25 and integration of knowledge and understanding. The Board of Teaching may incorporate
4.26 the requirements of this subdivision into other teacher licensure examinations.

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

4.28 Sec. 5. Minnesota Statutes 2008, section 123B.143, subdivision 1, is amended to read:

4.29 Subdivision 1. **Contract; duties.** All districts maintaining a classified secondary
4.30 school must employ a superintendent who shall be an ex officio nonvoting member of the
4.31 school board. The authority for selection and employment of a superintendent must be
4.32 vested in the board in all cases. An individual employed by a board as a superintendent
4.33 shall have an initial employment contract for a period of time no longer than three years

5.1 from the date of employment. Any subsequent employment contract must not exceed a
5.2 period of three years. A board, at its discretion, may or may not renew an employment
5.3 contract. A board must not, by action or inaction, extend the duration of an existing
5.4 employment contract. Beginning 365 days prior to the expiration date of an existing
5.5 employment contract, a board may negotiate and enter into a subsequent employment
5.6 contract to take effect upon the expiration of the existing contract. A subsequent contract
5.7 must be contingent upon the employee completing the terms of an existing contract. If a
5.8 contract between a board and a superintendent is terminated prior to the date specified in
5.9 the contract, the board may not enter into another superintendent contract with that same
5.10 individual that has a term that extends beyond the date specified in the terminated contract.
5.11 A board may terminate a superintendent during the term of an employment contract for any
5.12 of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent shall
5.13 not rely upon an employment contract with a board to assert any other continuing contract
5.14 rights in the position of superintendent under section 122A.40. Notwithstanding the
5.15 provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law
5.16 to the contrary, no individual shall have a right to employment as a superintendent based
5.17 on order of employment in any district. If two or more districts enter into an agreement for
5.18 the purchase or sharing of the services of a superintendent, the contracting districts have
5.19 the absolute right to select one of the individuals employed to serve as superintendent
5.20 in one of the contracting districts and no individual has a right to employment as the
5.21 superintendent to provide all or part of the services based on order of employment in a
5.22 contracting district. The superintendent of a district shall perform the following:

- 5.23 (1) visit and supervise the schools in the district, report and make recommendations
5.24 about their condition when advisable or on request by the board;
- 5.25 (2) recommend to the board employment and dismissal of teachers;
- 5.26 (3) superintend school grading practices and examinations for promotions;
- 5.27 (4) make reports required by the commissioner;
- 5.28 (5) by ~~January~~ August 10, 2009, and each year thereafter, submit an annual report
5.29 to the commissioner in a manner prescribed by the commissioner, in consultation with
5.30 school districts, ~~identifying the expenditures that the district requires to ensure an 80~~
5.31 ~~percent student passage rate on the MCA-IIs taken in the eighth grade~~, identifying the
5.32 highest student passage rate the district expects it will be able to attain on the ~~MCA-IIs~~
5.33 GRAD by grade 12, and the amount of expenditures that the district requires to attain the
5.34 targeted student passage rate; and
- 5.35 (6) perform other duties prescribed by the board.

6.1 Sec. 6. **[123B.835] SHARED SERVICES PURCHASING.**

6.2 Subdivision 1. **Purchasing requirement.** For fiscal year 2010 and later, a school
 6.3 district or charter school is required to purchase goods and services according to the
 6.4 requirements of subdivisions 2 and 3. A school district or charter school may not purchase
 6.5 goods or services from a vendor that has not been approved by the commissioner and
 6.6 listed according to subdivision 2. A school district or charter school is not required to
 6.7 make purchases or contract for services from the approved list for goods or services that
 6.8 are not specifically listed in subdivision 3.

6.9 Subd. 2. **Approved list.** The commissioner of education must develop and maintain
 6.10 a list of approved vendors from which school districts may purchase goods or contract for
 6.11 services. The list shall be published on the department's Web site and must be maintained
 6.12 and updated as necessary.

6.13 Subd. 3. **Goods and services.** School districts and charter schools are required to
 6.14 purchase goods and services under subdivision 2 for:

- 6.15 (1) all school materials, supplies, tools, and equipment for school facilities
 6.16 operations and maintenance;
 6.17 (2) technology equipment and communication services;
 6.18 (3) food services; and
 6.19 (4) transportation services.

6.20 Subd. 4. **Joint purchasing.** A group of school districts or charter schools may
 6.21 develop shared services arrangements to purchase goods or services from the approved list
 6.22 according to subdivision 3. A shared services purchasing arrangement according to this
 6.23 subdivision may be two or more school districts or any combination of school districts
 6.24 and charter schools.

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

6.26 Sec. 7. **[124D.142] QUALITY RATING AND IMPROVEMENT SYSTEM.**

6.27 There is established a quality rating and improvement system based on the goal that
 6.28 all Minnesota's children have access to high-quality early learning and care programs
 6.29 in a range of settings that meet the needs of children and their families. Creation of a
 6.30 standards-based quality rating and improvement system includes:

- 6.31 (1) establishing an early care and education framework that improves quality
 6.32 opportunities for early learning for all of Minnesota's young children. The framework
 6.33 shall be based on the Minnesota quality rating system rating tool and informed by
 6.34 evaluation results;

7.1 (2) using the framework as a tool to ensure that publicly funded and regulated early
7.2 learning and care services in both public and private market programs are high quality.

7.3 The state shall establish a plan to link all future state funding to the framework; and

7.4 (3) using the framework to track progress toward statewide access to high-quality
7.5 early learning and care programs, progress toward the number of low-income children
7.6 whose parents can access quality programs, and progress in reducing the number of
7.7 children not fully prepared to enter kindergarten.

7.8 In addition, in creating the quality rating and improvement system, the state shall
7.9 consider the cost of administering and staffing the system and collecting assessment
7.10 and evaluation data.

7.11 Prior to the creation of a statewide quality rating and improvement system, the state
7.12 shall employ the Minnesota quality rating system rating tool in use in fiscal year 2008.

7.13 **EFFECTIVE DATE.** This section is effective July 1, 2009.

7.14 **Sec. 8. [125B.015] STATE AND SCHOOL DISTRICT TECHNOLOGY**
7.15 **GUIDELINES.**

7.16 Subdivision 1. **State technology guidelines; guideline setting.** (a) Notwithstanding
7.17 other law to the contrary, the commissioner, the Minnesota Education Technology Task
7.18 Force, and representatives of school districts must work together to identify for school
7.19 districts the robust technology tools and systems that improve the educational achievement
7.20 of all Minnesota students. These entities must establish a foundation of flexible shared
7.21 services that supports state development and implementation of new and more efficient
7.22 educational business practices, including the use of modern analytical tools that help
7.23 schools and school districts make data-driven decisions and increase instructional time.
7.24 These entities also must anticipate the needs of school districts for effectively using
7.25 emerging technologies to make the best and most cost-effective use of finite educational
7.26 resources.

7.27 (b) The commissioner, the Minnesota Education Technology Task Force,
7.28 representatives of school districts, and other interested and affected stakeholders must
7.29 establish and then maintain, revise, and publish every four years beginning December 1,
7.30 2009, state and district technology guidelines consistent with the requirements of this
7.31 section and section 120B.023, subdivision 2, paragraph (a). The state and school districts
7.32 must use the technology guidelines to participate in a uniform data collection system
7.33 premised on:

7.34 (1) common data definitions for all required data elements;

7.35 (2) a common course catalogue;

8.1 (3) common transcript definitions; and
8.2 (4) school district infrastructure technology guidelines.

8.3 (c) School districts, consistent with this section and other applicable law, may use
8.4 financial resources in addition to state funding to provide students with the technology
8.5 tools they need to succeed in an increasingly complex and information-rich environment.

8.6 Subd. 2. **District technology guidelines.** (a) The commissioner, in collaboration
8.7 with the Minnesota Education Technology Task Force, must establish and then maintain,
8.8 revise, and publish six categories of district technology guidelines consistent with this
8.9 section. The district technology guidelines must encompass:

8.10 (1) instructional technology that includes best practices in 21st century classroom
8.11 instruction and student learning;

8.12 (2) technological tools that support formative and summative online assessments,
8.13 equipment, and software;

8.14 (3) shared services that facilitate network and data systems administration;

8.15 (4) data practices that include technical security, Internet safety, and data privacy;

8.16 (5) data management that facilitates efficient data transfers involving school districts
8.17 and the department; and

8.18 (6) facilities infrastructure that supports multipurpose technology facilities for
8.19 instruction and assessment.

8.20 (b) School districts are encouraged to align district technology expenditures with
8.21 state and district technology guidelines established under this section.

8.22 (c) Beginning December 1, 2010, and each two-year period thereafter, school
8.23 districts must use the district technology guidelines in this section to complete a review of
8.24 the district technology environment that:

8.25 (1) examines the alignment of district technology expenditures to the technology
8.26 guidelines under this section;

8.27 (2) identifies service gaps in the district technology plan; and

8.28 (3) estimates the funding needed to fill service gaps.

8.29 (d) School districts must transmit the substance of the review to the commissioner in
8.30 the form and manner the commissioner determines in collaboration with the Minnesota
8.31 Education Technology Task Force. The commissioner must evaluate and report the
8.32 substance of the reviews to the legislature by February 15, 2011, and each two-year period
8.33 thereafter.

8.34 **EFFECTIVE DATE.** This section is effective the day following final enactment
8.35 and applies to the 2009-2010 school year and later.

9.1 Sec. 9. **[127A.096] SHARED SERVICES PROVIDERS.**

9.2 Subdivision 1. **Selection.** The commissioner shall develop a process for selecting
9.3 shared services providers of goods and services that are included in the shared services
9.4 purchasing program, according to section 123B.835, subdivision 3. The commissioner
9.5 must select services providers to ensure that all school districts and charter schools have at
9.6 least two options for purchasing a given good or service identified in section 123B.835,
9.7 subdivision 3. The commissioner may negotiate contracts with shared services providers
9.8 to establish an agreed price to save money for school districts and charter schools as a
9.9 condition of being approved. The commissioner may remove shared services providers
9.10 from the approved list if the provider does not meet the goals of promoting high-quality
9.11 goods or services, improved service delivery, increased efficiency, and economy of
9.12 operation.

9.13 Subd. 2. **Eligibility.** A regional service cooperative is an eligible vendor. Other
9.14 goods or services providers may petition to the department to be selected as an eligible
9.15 vendor. Other eligible vendors may be a school district, charter school, or a private
9.16 services provider. The department shall approve shared services providers based on each
9.17 provider's ability to promote high-quality goods or services, improved service delivery,
9.18 efficiency, and economy of operation for the given goods and services identified under
9.19 section 123B.835, subdivision 3.

9.20 Subd. 3. **Additional approval.** The commissioner must approve additional services
9.21 providers to ensure adequate statewide service and options for school districts and
9.22 charter schools. The commissioner must adjust the approval list under section 123B.835,
9.23 subdivision 2, to accommodate the types of shared services under section 123B.835,
9.24 subdivision 3, from whom school districts and charter schools are required to purchase
9.25 whenever the goods and services types are expanded or reduced.

9.26 Subd. 4. **Savings measurement.** The commissioner must develop a method
9.27 for measuring school district spending savings as a result of utilizing shared services
9.28 purchasing under section 123B.835. These savings must be calculated for each individual
9.29 school district or charter school. These savings must be allocated to classroom education
9.30 in each school district or charter school.

9.31 Subd. 5. **Report.** The commissioner must annually report to the education finance
9.32 committees of the legislature on the savings that shared services purchasing under section
9.33 123B.835 is creating for the state's school districts and charter schools. The commissioner
9.34 must also recommend additional goods or services that should be considered by the
9.35 legislature to reduce school district expenditures and improve service delivery, efficiency,
9.36 and economy of operation.

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

10.2 Sec. 10. **SHARED SERVICES CONSULTATION SERVICES.**

10.3 The Department of Education shall enter into a two-year contract with a consultant
10.4 to study specific services or activities across school districts and charter schools to make
10.5 recommendations about combining services and activities in order to promote improved
10.6 service delivery, efficiency, and economy of operation. The Department of Education
10.7 shall require the consultant to develop an implementation plan for all school districts to
10.8 participate in the shared services purchasing mandate according to Minnesota Statutes,
10.9 section 123B.835. The department shall work with the consultant to develop an initial
10.10 list of service providers that can offer economical and efficient delivery of goods and
10.11 services. This initial list shall be published according to Minnesota Statutes, section
10.12 123B.835. The department must contract with a consultant that agrees to receive payment
10.13 as a percentage of shared services savings as measured under Minnesota Statutes, section
10.14 127A.096, subdivision 4. This percentage must not exceed five percent of the savings
10.15 computed according to Minnesota Statutes, section 127A.096, subdivision 4, in fiscal
10.16 years 2010 and 2011.

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

10.18 Sec. 11. **SHARED SERVICES DEDUCTION.**

10.19 (a) Notwithstanding Minnesota Statutes, section 126C.15, subdivision 4, for fiscal
10.20 years 2010 and 2011 only, a school district or charter school's general education aid must
10.21 equal the amount computed under Minnesota Statutes, section 126C.15, subdivision 4,
10.22 minus five percent of the savings computed under Minnesota Statutes, section 127A.096,
10.23 subdivision 4.

10.24 (b) Notwithstanding paragraph (a), the deduction under this section shall be equal to
10.25 the contracted percentage under section 10 between the Department of Education and the
10.26 consultant. The department must reduce the deduction under this section if the department
10.27 and the consultant agree to a contract under section 10, in which the consultant is paid
10.28 as a percentage of savings that is less than five percent.

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

10.30 Sec. 12. **SAVINGS ALLOCATION.**

10.31 Notwithstanding Minnesota Statutes, section 127A.096, subdivision 4, in fiscal
10.32 years 2010 and 2011 only, savings computed according to Minnesota Statutes, section

11.1 127A.096, subdivision 4, minus the contracted percentage paid to the shared services
11.2 consultant under section 10, must be allocated to classroom education in each school
11.3 district or charter school.

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

11.5 Sec. 13. **ASSESSMENT OF READING INSTRUCTION.**

11.6 (a) No later than March 1, 2010, the Board of Teaching, in cooperation with the
11.7 commissioner of education, shall adopt an assessment of reading instruction for all
11.8 prekindergarten and elementary licensure candidates consistent with Minnesota Statutes,
11.9 section 122A.18, subdivision 2c.

11.10 (b) The Board of Teaching and the commissioner shall report to the senate and house
11.11 of representatives committees having jurisdiction over prekindergarten through grade 12
11.12 education policy by March 15, 2010, on the assessment of reading instruction that was
11.13 adopted.

11.14 Sec. 14. **READING INSTRUCTION RULES; LEGISLATIVE REVIEW.**

11.15 Beginning July 1, 2009, and until July 1, 2010, the Board of Teaching must submit
11.16 any proposed rules regarding licensure in reading instruction to the chairs of the legislative
11.17 committees with jurisdiction over kindergarten through grade 12 education policy by
11.18 February 1, 2010. The board may not adopt the rules until the legislature has adjourned
11.19 the 2010 regular session.

11.20 Sec. 15. **APPROPRIATION; SHARED SERVICES CONSULTANT.**

11.21 For fiscal years 2010 and 2011, the amount deducted from general education aid
11.22 under section 11 is appropriated to the Department of Education for the costs of the
11.23 contract associated with shared services consultation under section 10.