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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 2429

03/15/2017 Authored by Ward, Fischer, Flanagan and Youakim
The bill was read for the first time and referred to the Committee on Education Finance

1.1 A bill for an act
1.2 relating to education finance; conveying the Crosswinds school from the Perpich
1.3 Center for Arts Education to Independent School District No. 625, St. Paul;
1.4 clarifying funding during the transition year; requiring a report; amending
1.5 Minnesota Statutes 2016, section 129C.10, subdivision 3; repealing Minnesota
1.6 Statutes 2016, sections 129C.10, subdivision 5a; 129C.30.

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

1.8 Section 1. Minnesota Statutes 2016, section 129C.10, subdivision 3, is amended to read:

1.9 Subd. 3. **Powers and duties of board.** (a) The board has the powers necessary for the
1.10 care, management, and control of the Perpich Center for Arts Education ~~and any other school~~
1.11 ~~authorized in this chapter~~, and all ~~their~~ its real and personal property. The powers shall
1.12 include, but are not limited to, those listed in this subdivision.

1.13 (b) The board may employ and discharge necessary employees, and contract for other
1.14 services to ensure the efficient operation of the Center for Arts Education and any other
1.15 school authorized in this chapter.

1.16 (c) The board may receive and award grants. The board may establish a charitable
1.17 foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational
1.18 purposes and hold, manage, invest, and dispose of them and the proceeds and income of
1.19 them according to the terms and conditions of the gift, grant, bequest, or devise and its
1.20 acceptance. The board must adopt internal procedures to administer and monitor aids and
1.21 grants.

1.22 (d) The board may establish or coordinate evening, continuing education, extension,
1.23 and summer programs for teachers and pupils.

2.1 (e) The board may identify pupils who have artistic talent, either demonstrated or
2.2 potential, in dance, literary arts, media arts, music, theater, and visual arts, or in more than
2.3 one art form.

2.4 (f) The board must educate pupils with artistic talent by providing:

2.5 (1) an interdisciplinary academic and arts program for pupils in the 11th and 12th grades.
2.6 The total number of pupils accepted under this clause and clause (2) shall not exceed 310;

2.7 (2) additional instruction to pupils for a 13th grade. Pupils eligible for this instruction
2.8 are those enrolled in 12th grade who need extra instruction and who apply to the board, or
2.9 pupils enrolled in the 12th grade who do not meet learner outcomes established by the board;

2.10 (3) intensive arts seminars for one or two weeks for pupils in grades 9 to 12;

2.11 (4) summer arts institutes for pupils in grades 9 to 12;

2.12 (5) artist mentor and extension programs in regional sites; and

2.13 (6) teacher education programs for indirect curriculum delivery.

2.14 (g) The board may determine the location for the Perpich Center for Arts Education and
2.15 any additional facilities related to the center, including the authority to lease a temporary
2.16 facility.

2.17 (h) The board must plan for the enrollment of pupils on an equal basis from each
2.18 congressional district.

2.19 (i) The board may establish task forces as needed to advise the board on policies and
2.20 issues. The task forces expire as provided in section 15.059, subdivision 6.

2.21 (j) The board may request the commissioner of education for assistance and services.

2.22 (k) The board may enter into contracts with other public and private agencies and
2.23 institutions for residential and building maintenance services if it determines that these
2.24 services could be provided more efficiently and less expensively by a contractor than by
2.25 the board itself. The board may also enter into contracts with public or private agencies and
2.26 institutions, school districts or combinations of school districts, or service cooperatives to
2.27 provide supplemental educational instruction and services.

2.28 (l) The board may provide or contract for services and programs by and for the Center
2.29 for Arts Education, including a store, operating in connection with the center; theatrical
2.30 events; and other programs and services that, in the determination of the board, serve the
2.31 purposes of the center.

3.1 (m) The board may provide for transportation of pupils to and from the Center for Arts
 3.2 Education for all or part of the school year, as the board considers advisable and subject to
 3.3 its rules. Notwithstanding any other law to the contrary, the board may charge a reasonable
 3.4 fee for transportation of pupils. Every driver providing transportation of pupils under this
 3.5 paragraph must possess all qualifications required by the commissioner of education. The
 3.6 board may contract for furnishing authorized transportation under rules established by the
 3.7 commissioner of education and may purchase and furnish gasoline to a contract carrier for
 3.8 use in the performance of a contract with the board for transportation of pupils to and from
 3.9 the Center for Arts Education. When transportation is provided, scheduling of routes,
 3.10 establishment of the location of bus stops, the manner and method of transportation, the
 3.11 control and discipline of pupils, and any other related matter is within the sole discretion,
 3.12 control, and management of the board.

3.13 (n) The board may provide room and board for its pupils. If the board provides room
 3.14 and board, it shall charge a reasonable fee for the room and board. The fee is not subject to
 3.15 chapter 14 and is not a prohibited fee according to sections 123B.34 to 123B.39.

3.16 (o) The board may establish and set fees for services and programs. If the board sets
 3.17 fees not authorized or prohibited by the Minnesota public school fee law, it may do so
 3.18 without complying with the requirements of section 123B.38.

3.19 (p) The board may apply for all competitive grants administered by agencies of the state
 3.20 and other government or nongovernment sources.

3.21 **EFFECTIVE DATE.** This section is effective the day following the date on which the
 3.22 real and personal property of the Crosswinds school are conveyed.

3.23 **Sec. 2. CROSSWINDS SCHOOL CONVEYANCE.**

3.24 Notwithstanding the appropriation of state general obligation bond proceeds in Laws
 3.25 1998, chapter 404, section 5, subdivision 5; Laws 1999, chapter 240, article 1, section 3;
 3.26 Laws 2000, chapter 492, article 1, section 5, subdivision 2; Laws 2001, First Special Session
 3.27 chapter 12, section 2, subdivision 2; and Laws 2005, chapter 20, article 1, section 5,
 3.28 subdivision 3, to acquire and better the Crosswinds school facilities by the Joint Powers
 3.29 District No. 6067, East Metro Integration District, in Woodbury, the Crosswinds school
 3.30 conveyed to the Perpich Center for Arts Education under Laws 2014, chapter 294, article
 3.31 2, section 20, subdivision 2, may be conveyed for continued use as an east metropolitan
 3.32 area integration magnet school.

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

4.1 Sec. 3. **CROSSWINDS SCHOOL TRANSITION.**

4.2 **Subdivision 1. Student enrollment.** A student enrolled in the Crosswinds school during
4.3 the 2016-2017 school year and a student accepted for enrollment during the 2017-2018
4.4 school year may continue to enroll in the Crosswinds school in any subsequent year. For
4.5 the 2017-2018 school year and later, other students may apply for enrollment under
4.6 Minnesota Statutes, section 124D.03.

4.7 **Subd. 2. Compensatory revenue; literacy aid; alternative compensation revenue.**
4.8 For the 2017-2018 school year only, the Department of Education must calculate
4.9 compensatory revenue, literacy aid, and alternative compensation revenue for the Crosswinds
4.10 school based on the October 1, 2016, enrollment counts.

4.11 **Subd. 3. Year-round programming.** Crosswinds school may operate as a flexible
4.12 learning year program under Minnesota Statutes, sections 124D.12 to 124D.127.

4.13 **Subd. 4. Pupil transportation.** The district operating the Crosswinds school may
4.14 transport pupils enrolled in the 2017-2018 school year to and from the Crosswinds school
4.15 in succeeding school years regardless of the pupil's district of residence. Pupil transportation
4.16 expenses under this section are reimbursable under Minnesota Statutes, section 124D.87.

4.17 **EFFECTIVE DATE.** This section is effective the day following the date on which the
4.18 real and personal property of the Crosswinds school are conveyed.

4.19 Sec. 4. **THE PERPICH CENTER FOR ARTS EDUCATION REPORT TO THE**
4.20 **LEGISLATURE.**

4.21 The Perpich Center for Arts Education must examine agency policies and practices to
4.22 address the problems identified in the 2017 program evaluation report, and internal controls
4.23 and compliance audit by the Office of the Legislative Auditor. The Perpich Center may
4.24 consult with the Department of Education and the Minnesota Management and Budget
4.25 Division of Management Analysis and Development to determine how to improve operations
4.26 and fulfill its statutory mandates under Minnesota Statutes, chapter 129C. The Perpich
4.27 Center must report to the chairs and the ranking minority members of the legislative
4.28 committees having jurisdiction over kindergarten through grade 12 education by January
4.29 15, 2019, on its progress under this section and must identify actions it has taken to address
4.30 the following:

4.31 (1) provide appropriate direction and agency oversight;

4.32 (2) increase transparency and solicit public input;

5.1 (3) increase student enrollment in the Perpich Arts High School;

5.2 (4) perform outreach activities and provide support to arts educators and students
5.3 throughout Minnesota; and

5.4 (5) improve student performance on state assessments.

5.5 The report must identify the number of applicants and students admitted from each
5.6 congressional district for the three years preceding the report.

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

5.8 Sec. 5. **REPEALER.**

5.9 Minnesota Statutes 2016, sections 129C.10, subdivision 5a; and 129C.30, are repealed.

5.10 **EFFECTIVE DATE.** This section is effective the day following the date on which the
5.11 real and personal property of the Crosswinds school are conveyed.

129C.10 PERPICH CENTER FOR ARTS EDUCATION.

Subd. 5a. **Interdistrict voluntary integration magnet program.** Notwithstanding Minnesota Rules, parts 3535.0110 and 3535.0150, the board may establish and operate an interdistrict integration magnet program according to section 129C.30. For fiscal year 2016 and later, the board must have an approved achievement and integration plan and budget under section 124D.861.

129C.30 CROSSWINDS INTEGRATION MAGNET SCHOOL.

Subdivision 1. **Definitions.** (a) The following terms have the meanings given them for this chapter.

(b) "Board" means the board of directors of the Perpich Center for Arts Education.

(c) "Crosswinds school" means the Crosswinds school in Woodbury operated during the 2012-2013 school year by Joint Powers District No. 6067, East Metro Integration District.

Subd. 2. **Board to operate the Crosswinds school.** The board may operate the Crosswinds school with the powers and duties granted to it under this chapter. A student may apply to the Crosswinds school under section 124D.03 and the Crosswinds school may accept students under that section.

Subd. 3. **General education funding.** General education revenue must be paid to the Crosswinds school as though it were a district. The general education revenue for each adjusted pupil unit is the state average general education revenue per pupil unit, plus the referendum equalization aid allowance in the pupil's district of residence, minus an amount equal to the product of the formula allowance according to section 126C.10, subdivision 2, times .0466, calculated without declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, transition revenue, and transportation sparsity revenue, plus declining enrollment, basic skills revenue, extended time revenue, pension adjustment revenue, and transition revenue as though the school were a school district. The general education revenue for each extended time pupil unit equals \$4,794.

Subd. 4. **Special education funding.** Special education aid must be paid to the Crosswinds school according to sections 125A.76 and 125A.79, as though it were a school district. The special education aid paid to the Crosswinds school shall be adjusted as follows:

(1) if the Crosswinds school does not receive general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 125A.11; or

(2) if the Crosswinds school receives general education revenue on behalf of the student according to subdivision 3, the aid shall be adjusted as provided in section 127A.47, subdivision 7, paragraphs (b) to (d).

Subd. 5. **Pupil transportation.** (a) For fiscal year 2015 only, a member district of Joint Powers District No. 6067, East Metro Integration District, must transport pupils enrolled at the Crosswinds school in the same manner as they were transported in fiscal year 2014.

(b) Pupil transportation expenses under this section are reimbursable under section 124D.87.

Subd. 6. **Achievement and integration aid.** For fiscal year 2016 and later, the Crosswinds school is eligible for achievement and integration aid under section 124D.862 as if it were a school district.

Subd. 7. **Other aids, grants, revenue.** (a) The Crosswinds school is eligible to receive other aids, grants, and revenue according to chapters 120A to 129C as though it were a district.

(b) Notwithstanding paragraph (a), the Crosswinds school may not receive aid, a grant, or revenue if a levy is required to obtain the money, or if the aid, grant, or revenue replaces levy revenue that is not general education revenue, except as otherwise provided in this section.

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

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

Subd. 8. **Year-round programming.** The Crosswinds school may operate as a flexible learning year program under sections 124D.12 to 124D.127.

Subd. 9. **Data requirements.** The commissioner of education shall require the Crosswinds school to follow the budget and accounting procedures required for school districts and the Crosswinds school shall report all data to the Department of Education in the form and manner required by the commissioner.