

1.1 A bill for an act

1.2 relating to education; modifying the Online Learning Option Act; amending
1.3 Minnesota Statutes 2006, sections 124D.095, subdivisions 3, 4, 7, 8; 124D.096.

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

1.5 Section 1. Minnesota Statutes 2006, section 124D.095, subdivision 3, is amended to
1.6 read:

1.7 Subd. 3. **Authorization; notice; limitations on enrollment.** (a) A student may
1.8 apply to an online learning provider to enroll in online learning. A student age 17 or
1.9 younger must have the written consent of a parent or guardian to apply. No school district
1.10 or charter school may prohibit a student from applying to enroll in online learning. ~~An~~
1.11 ~~online learning provider that accepts a student under this section must, within ten days,~~
1.12 ~~notify the student and the enrolling district if the enrolling district is not the online learning~~
1.13 ~~provider. The notice must report the student's course or program and hours of instruction.~~
1.14 An online learning provider must comply with the application and notification procedures
1.15 and timelines under section 124D.03, subdivisions 3, 4, 5, 6, and 7.

1.16 (b) ~~An online learning student must notify the enrolling district at least 30 days~~
1.17 ~~before taking an online learning course or program if the enrolling district is not providing~~
1.18 ~~the online learning.~~ An online learning provider must notify the commissioner that it is
1.19 delivering online learning and report the number of online learning students it is accepting
1.20 and the online learning courses and programs it is delivering.

1.21 (c) An online learning provider may limit enrollment if the provider's school board
1.22 or board of directors adopts by resolution specific standards for accepting and rejecting
1.23 students' applications.

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2.1 (d) An enrolling district may reduce an online learning student's regular classroom
2.2 instructional membership in proportion to the student's membership in online learning
2.3 courses.

2.4 (e) Online enrollments after the commencement of any school year shall not result in
2.5 reduction of the enrolling school district's general education revenue for that school year.

2.6 Sec. 2. Minnesota Statutes 2006, section 124D.095, subdivision 4, is amended to read:

2.7 Subd. 4. **Online learning parameters.** (a) An online learning student must receive
2.8 academic credit for completing the requirements of an online learning course or program.
2.9 Secondary credits granted to an online learning student must be counted toward the
2.10 graduation and credit requirements of the enrolling district, provided the enrolling district
2.11 has had the opportunity to review the course syllabus, course content, performance
2.12 requirements, and evaluation criteria of the online course prior to the enrolling district's
2.13 student enrollment in the online provider's course. The enrolling district must apply the
2.14 same graduation requirements to all students, including online learning students, and
2.15 must continue to provide nonacademic services to online learning students. If a student
2.16 completes an online learning course or program that meets or exceeds a graduation
2.17 standard or grade progression requirement at the enrolling district, that standard or
2.18 requirement is met. Course completion is evidenced by the student's transcript showing
2.19 a passing grade and the amount of credit the student has earned. The enrolling district
2.20 must use the same criteria for accepting online learning credits or courses as it does for
2.21 accepting credits or courses for transfer students under section 124D.03, subdivision 9.
2.22 The enrolling district may reduce the teacher contact time of an online learning student
2.23 in proportion to the number of online learning courses the student takes from an online
2.24 learning provider that is not the enrolling district. The reduction in teacher contact time
2.25 can only be made if the reduction does not result in reduction of salary or benefits, unless
2.26 the reduction in contact time is made according to section 122A.40 or 122A.41.

2.27 (b) An online learning student may:

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

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

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

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

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

3.13 (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. 3. Minnesota Statutes 2006, section 124D.095, subdivision 7, is amended to read:

3.22 Subd. 7. **Department of Education.** (a) The department must review and certify
3.23 online learning providers. The online learning courses and programs must be rigorous,
3.24 aligned with state academic standards, and contribute to grade progression in a single
3.25 subject. Online learning providers must ~~affirm~~ demonstrate to the commissioner that
3.26 online learning courses have equivalent standards or instruction, curriculum, and
3.27 assessment requirements as other courses offered to enrolled students. The enrolled
3.28 student's enrolling district must validate the provider's analysis of the online learning
3.29 course. The online learning provider must also demonstrate expectations for actual teacher
3.30 contact time or other student-to-teacher communication. ~~Once an online learning provider~~
3.31 ~~is approved under this paragraph, all of its online learning course offerings are eligible~~
3.32 ~~for payment under this section unless a course is successfully challenged by an enrolling~~
3.33 ~~district or the department under paragraph (b).~~

3.34 (b) An enrolling district may challenge the validity of a course offered by an online
3.35 learning provider. ~~The department must review such challenges based on the certification~~

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4.1 ~~procedures under paragraph (a). The department may initiate its own review of the validity~~
4.2 ~~of an online learning course offered by an online learning provider. The online provider~~
4.3 ~~shall respond to enrolling district challenges within 30 days of receiving the enrolling~~
4.4 ~~district's challenge. The online provider may refer the challenge and the online provider's~~
4.5 ~~response to the enrolling district's school board for final determination of course validity.~~
4.6 Local school board decisions may be appealed to the commissioner by the online provider.

4.7 ~~(c) The department may collect a fee not to exceed \$250 for certifying online~~
4.8 ~~learning providers or \$50 per course for reviewing a challenge by an enrolling district.~~

4.9 ~~(d)~~ The department must develop, publish, and maintain a list of approved online
4.10 learning providers and online learning courses and programs that it has reviewed and
4.11 certified.

4.12 Sec. 4. Minnesota Statutes 2006, section 124D.095, subdivision 8, is amended to read:

4.13 Subd. 8. **Financial arrangements.** (a) For a student enrolled in an online learning
4.14 course, the department must calculate average daily membership and make payments
4.15 according to this subdivision.

4.16 (b) The initial online learning average daily membership equals 1/12 for each
4.17 semester course or a proportionate amount for courses of different lengths. The adjusted
4.18 online learning average daily membership equals the initial online learning average daily
4.19 membership times .88.

4.20 (c) No online learning average daily membership shall be generated if: (1) the
4.21 student does not complete the online learning course as evidenced by the enrolling
4.22 district's recognition of the course, student receiving a passing grade, and specification of
4.23 credit earned, ~~or~~ (2) the student is enrolled in online learning provided by the enrolling
4.24 district, or (3) the enrolling district average daily membership calculation for the enrolling
4.25 student equals the general education revenue available.

4.26 (d) Online learning average daily membership under this subdivision for a student
4.27 currently enrolled in a Minnesota public school shall be used only for computing average
4.28 daily membership according to section 126C.05, subdivision 19, paragraph (a), clause (ii),
4.29 and for computing online learning aid according to section 124D.096.

4.30 Sec. 5. Minnesota Statutes 2006, section 124D.096, is amended to read:

4.31 **124D.096 ONLINE LEARNING AID.**

4.32 (a) The online learning aid for an online learning provider equals the product of the
4.33 adjusted online learning average daily membership for students under section 124D.095,

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5.1 subdivision 8, paragraph (d), times the student grade level weighting under section
5.2 126C.05, subdivision 1, times the formula allowance.

5.3 (b) Notwithstanding section 127A.45, the department must pay each online learning
5.4 provider the current year aid payment percentage multiplied by the amount in paragraph
5.5 (a) within 45 days of receiving final enrollment and course completion information each
5.6 quarter or semester. The final adjustment payment must be the amount of the actual
5.7 entitlement, after adjustment for actual data, minus the payments made during the fiscal
5.8 year of the entitlement. This payment must be made on September 30 of the next fiscal
5.9 year.

5.10 (c) In those instances where student adjusted average daily membership exceeds
5.11 general education formula revenue available, the enrolling district shall be paid according
5.12 to its reported adjusted average daily membership prior to payment being made to the
5.13 online learning provider.