

70.16

ARTICLE 6

70.17

CHARTER SCHOOLS

70.18 Section 1. Minnesota Statutes 2023 Supplement, section 124E.13, subdivision 1, is amended
70.19 to read:

70.20 Subdivision 1. **Leased space.** A charter school may lease space from: an independent
70.21 or special school board; other public organization; private, nonprofit, nonsectarian
70.22 organization; private property owner; or a sectarian organization if the leased space is
70.23 constructed as a school facility. In all cases, the eligible lessor must also be the building
70.24 owner. The commissioner must review and approve or disapprove ~~leases~~ lease aid
70.25 applications in a timely manner to determine eligibility for lease aid under section 124E.22.

70.26 Sec. 2. Minnesota Statutes 2022, section 124E.22, is amended to read:

70.27 **124E.22 BUILDING LEASE AID.**

70.28 (a) When a charter school finds it economically advantageous to rent or lease a building
70.29 or land for any instructional purpose and it determines that the total operating capital revenue
70.30 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
71.1 commissioner for building lease aid in the form and manner prescribed by the commissioner.
71.2 The commissioner must review and either approve or deny a lease aid application using at
71.3 least the following criteria:

71.4 (1) the reasonableness of the price based on current market values;

71.5 (2) the extent to which the lease conforms to applicable state laws and rules; and

71.6 (3) the appropriateness of the proposed lease in the context of the space needs and
71.7 financial circumstances of the charter school. The commissioner must approve aid only for
71.8 a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the
71.9 charter school of its lease obligations at the time the charter contract is terminated or not
71.10 renewed. The closure clause under item (ii) must not be constructed or construed to relieve
71.11 the charter school of its lease obligations in effect before the charter contract is terminated
71.12 or not renewed.

71.13 (b) A charter school must not use the building lease aid it receives for custodial,
71.14 maintenance service, utility, or other operating costs.

71.15 (c) The amount of annual building lease aid for a charter school shall not exceed the
71.16 lesser of (1) 90 percent of the approved cost or (2) the product of the charter school building
71.17 lease aid pupil units served for the current school year times \$1,314.

71.18 (d) A charter school's building lease aid pupil units equals the sum of the charter school
71.19 pupil units under section 126C.05 and the pupil units for the portion of the day that the
71.20 charter school's enrolled students are participating in the Postsecondary Enrollment Options

49.23

ARTICLE 5

49.24

CHARTER SCHOOLS

49.25 Section 1. Minnesota Statutes 2023 Supplement, section 124E.13, subdivision 1, is amended
49.26 to read:

49.27 Subdivision 1. **Leased space.** A charter school may lease space from: an independent
49.28 or special school board; other public organization; private, nonprofit, nonsectarian
49.29 organization; private property owner; or a sectarian organization if the leased space is
49.30 constructed as a school facility. In all cases, the eligible lessor must also be the building
50.1 owner. The commissioner must review and approve or disapprove ~~leases~~ lease aid
50.2 applications in a timely manner to determine eligibility for lease aid under section 124E.22.

50.3 Sec. 2. Minnesota Statutes 2022, section 124E.22, is amended to read:

50.4 **124E.22 BUILDING LEASE AID.**

50.5 (a) When a charter school finds it economically advantageous to rent or lease a building
50.6 or land for any instructional purpose and it determines that the total operating capital revenue
50.7 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
50.8 commissioner for building lease aid in the form and manner prescribed by the commissioner.
50.9 The commissioner must review and either approve or deny a lease aid application using at
50.10 least the following criteria:

50.11 (1) the reasonableness of the price based on current market values;

50.12 (2) the extent to which the lease conforms to applicable state laws and rules; and

50.13 (3) the appropriateness of the proposed lease in the context of the space needs and
50.14 financial circumstances of the charter school. The commissioner must approve aid only for
50.15 a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the
50.16 charter school of its lease obligations at the time the charter contract is terminated or not
50.17 renewed. The closure clause under item (ii) must not be constructed or construed to relieve
50.18 the charter school of its lease obligations in effect before the charter contract is terminated
50.19 or not renewed.

50.20 (b) A charter school must not use the building lease aid it receives for custodial,
50.21 maintenance service, utility, or other operating costs.

50.22 (c) The amount of annual building lease aid for a charter school shall not exceed the
50.23 lesser of (1) 90 percent of the approved cost or (2) the product of the charter school building
50.24 lease aid pupil units served for the current school year times \$1,314.

50.25 (d) A charter school's building lease aid pupil units equals the sum of the charter school
50.26 pupil units under section 126C.05 and the pupil units for the portion of the day that the
50.27 charter school's enrolled students are participating in the Postsecondary Enrollment Options

71.21 Act under section 124D.09 and not otherwise included in the pupil count under section
71.22 126C.05.

71.23 Sec. 3. Laws 2023, chapter 55, article 2, section 64, subdivision 6, as amended by Laws
71.24 2024, chapter 81, section 9, is amended to read:

71.25 Subd. 6. **Charter school building lease aid.** (a) For building lease aid under Minnesota
71.26 Statutes, section 124E.22:

71.27 \$ 91,457,000 2024

71.28 94,578,000
71.29 \$ 94,906,000 2025

71.30 (b) The 2024 appropriation includes \$9,047,000 for 2023 and \$82,410,000 for 2024.

71.31 (c) The 2025 appropriation includes \$9,156,000 for 2024 and ~~\$85,422,000~~ \$85,750,000
71.32 for 2025.

50.28 Act under section 124D.09 and not otherwise included in the pupil count under section
50.29 126C.05.

51.1 Sec. 3. Laws 2023, chapter 55, article 2, section 64, subdivision 6, as amended by Laws
51.2 2024, chapter 81, section 9, is amended to read:

51.3 Subd. 6. **Charter school building lease aid.** (a) For building lease aid under Minnesota
51.4 Statutes, section 124E.22:

51.5 \$ 91,457,000 2024

51.6 94,578,000
51.7 \$ 94,906,000 2025

51.8 (b) The 2024 appropriation includes \$9,047,000 for 2023 and \$82,410,000 for 2024.

51.9 (c) The 2025 appropriation includes \$9,156,000 for 2024 and ~~\$85,422,000~~ \$85,750,000
51.10 for 2025.

51.11 Sec. 4. **APPROPRIATIONS.**

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

51.15 Subd. 2. **Safe schools supplemental aid for charter schools.** (a) For safe schools
51.16 supplemental aid for charter schools:

51.17 \$ 3,000,000 2025

51.18 (b) Safe schools supplemental aid for a charter school equals the product of:

51.19 (1) the amount appropriated under paragraph (a); and

51.20 (2) the ratio of (i) the charter school's student enrollment on October 1, 2024, to (ii) the
51.21 student enrollment on October 1, 2024, for all charter schools in the state.

51.22 (c) Safe schools supplemental aid must be reserved and used only for costs associated
51.23 with safe schools activities authorized under Minnesota Statutes, section 126C.44, subdivision
51.24 4, or building lease expenses not funded by building lease aid that are attributable to facility
51.25 security enhancements made by the landlord after March 1, 2024.

51.26 (d) One hundred percent of the aid under this subdivision must be paid in fiscal year
51.27 2025 on a schedule to be determined by the commissioner.

51.28 (e) This is a onetime appropriation.