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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2605

02/29/2012 Authored by Lohmer and Myhra  
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; clarifying shared time aid for home-schooled  
1.3 students attending charter schools; amending Minnesota Statutes 2010, section  
1.4 126C.19, subdivision 2; Minnesota Statutes 2011 Supplement, section 124D.10,  
1.5 subdivision 8.

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

1.7 Section 1. Minnesota Statutes 2011 Supplement, section 124D.10, subdivision 8,  
1.8 is amended to read:

1.9 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all  
1.10 federal, state, and local health and safety requirements applicable to school districts.

1.11 (b) A school must comply with statewide accountability requirements governing  
1.12 standards and assessments in chapter 120B.

1.13 (c) A school authorized by a school board may be located in any district, unless the  
1.14 school board of the district of the proposed location disapproves by written resolution.

1.15 (d) A charter school must be nonsectarian in its programs, admission policies,  
1.16 employment practices, and all other operations. An authorizer may not authorize a charter  
1.17 school or program that is affiliated with a nonpublic sectarian school or a religious  
1.18 institution. A charter school student must be released for religious instruction, consistent  
1.19 with section 120A.22, subdivision 12, clause (3).

1.20 (e) Charter schools must not be used as a method of providing education or  
1.21 generating revenue for students who are being home-schooled. This paragraph does not  
1.22 apply to shared time aid generated under section 126C.19, subdivision 2, paragraph (b).

1.23 (f) The primary focus of a charter school must be to provide a comprehensive  
1.24 program of instruction for at least one grade or age group from five through 18 years

2.1 of age. Instruction may be provided to people younger than five years and older than  
2.2 18 years of age.

2.3 (g) A charter school may not charge tuition.

2.4 (h) A charter school is subject to and must comply with chapter 363A and section  
2.5 121A.04.

2.6 (i) A charter school is subject to and must comply with the Pupil Fair Dismissal  
2.7 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections  
2.8 123B.34 to 123B.39.

2.9 (j) A charter school is subject to the same financial audits, audit procedures, and  
2.10 audit requirements as a district. Audits must be conducted in compliance with generally  
2.11 accepted governmental auditing standards, the federal Single Audit Act, if applicable,  
2.12 and section 6.65. A charter school is subject to and must comply with sections 15.054;  
2.13 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and  
2.14 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83,  
2.15 except to the extent deviations are necessary because of the program at the school.  
2.16 Deviations must be approved by the commissioner and authorizer. The Department of  
2.17 Education, state auditor, legislative auditor, or authorizer may conduct financial, program,  
2.18 or compliance audits. A charter school determined to be in statutory operating debt under  
2.19 sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

2.20 (k) A charter school is a district for the purposes of tort liability under chapter 466.

2.21 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,  
2.22 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

2.23 (m) A charter school is subject to the Pledge of Allegiance requirement under  
2.24 section 121A.11, subdivision 3.

2.25 (n) A charter school offering online courses or programs must comply with section  
2.26 124D.095.

2.27 (o) A charter school and charter school board of directors are subject to chapter 181.

2.28 (p) A charter school must comply with section 120A.22, subdivision 7, governing  
2.29 the transfer of students' educational records and sections 138.163 and 138.17 governing  
2.30 the management of local records.

2.31 (q) A charter school that provides early childhood health and developmental  
2.32 screening must comply with sections 121A.16 to 121A.19.

2.33 (r) A charter school that provides school-sponsored youth athletic activities must  
2.34 comply with section 121A.38.

2.35 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014  
2.36 **and later.**

3.1 Sec. 2. Minnesota Statutes 2010, section 126C.19, subdivision 2, is amended to read:

3.2 Subd. 2. **Exception.** (a) Notwithstanding subdivision 1, the resident district of a  
3.3 shared time pupil attending shared time classes in another district may grant the district  
3.4 of attendance, upon its request, permission to claim the pupil as a resident for state aid  
3.5 purposes. In this case, state aid must be paid to the district of attendance and, upon  
3.6 agreement, the district of attendance may bill the resident district for any unreimbursed  
3.7 education costs, but not for unreimbursed transportation costs. The agreement may,  
3.8 however, provide for the resident district to pay the cost of any of the particular  
3.9 transportation categories specified in section 123B.92, subdivision 1, and in this case, aid  
3.10 for those categories must be paid to the district of residence rather than to the district  
3.11 of attendance.

3.12 (b) Notwithstanding subdivision 1, the resident district of a shared time pupil  
3.13 attending shared time classes at a charter school and who otherwise fulfills the  
3.14 requirements of section 120A.22 by attendance at a home school must grant the charter  
3.15 school of attendance, upon its request, permission to claim the pupil as a resident for state  
3.16 aid purposes. In this case, shared time aid must be paid to the charter school of attendance.

3.17 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2014  
3.18 and later.