

2.1 ~~(2) state average operating referendum equalization aid allowance in the pupil's district~~
 2.2 ~~of residence~~ revenue, and

2.3 (3) safe schools revenue under section 126C.44, paragraph (d), minus

2.4 (4) an amount equal to the product of the formula allowance according to section 126C.10,
 2.5 subdivision 2, times .0466, calculated without declining enrollment revenue, local optional
 2.6 revenue, basic skills revenue, extended time revenue, pension adjustment revenue, transition
 2.7 revenue, and transportation sparsity revenue, plus declining enrollment revenue, basic skills
 2.8 revenue, pension adjustment revenue, and transition revenue as though the school were a
 2.9 school district.

2.10 (b) For a charter school operating an extended day, extended week, or summer program,
 2.11 the general education revenue in paragraph (a) is increased by an amount equal to ~~25~~ 100
 2.12 percent of the statewide average extended time revenue per adjusted pupil unit.

2.13 (c) Notwithstanding paragraph (a), the general education revenue for an eligible special
 2.14 education charter school as defined in section 124E.21, subdivision 2, equals the sum of
 2.15 the amount determined under paragraph (a) and the school's unreimbursed cost as defined
 2.16 in section 124E.21, subdivision 2, for educating students not eligible for special education
 2.17 services.

2.18 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2019 and later.

2.19 Sec. 3. Minnesota Statutes 2017 Supplement, section 124E.22, is amended to read:

2.20 **124E.22 BUILDING LEASE AID.**

2.21 (a) When a charter school finds it economically advantageous to rent or lease a building
 2.22 or land for any instructional purpose and it determines that the total operating capital revenue
 2.23 under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the
 2.24 commissioner for building lease aid. The commissioner must review and either approve or
 2.25 deny a lease aid application using the following criteria:

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

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

2.28 (3) the appropriateness of the proposed lease in the context of the space needs and
 2.29 financial circumstances of the charter school. The commissioner must approve aid only for
 2.30 a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the
 2.31 charter school of its lease obligations at the time the charter contract is terminated or not
 2.32 renewed. The closure clause under item (ii) must not be constructed or construed to relieve

3.1 the charter school of its lease obligations in effect before the charter contract is terminated
3.2 or not renewed.

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

3.5 (c) The amount of annual building lease aid for a charter school shall not exceed the
3.6 lesser of (1) 90 percent of the approved cost, or (2) the product of the charter school building
3.7 lease aid pupil units served for the current school year times the greater of (i) \$1,314, or (ii)
3.8 100 percent of the statewide average debt service revenue for school districts.

3.9 (d) A charter school's building lease aid pupil units equals the sum of the charter school
3.10 pupil units under section 126C.05 and the pupil units for the portion of the day that the
3.11 charter school's enrolled students are participating in the Postsecondary Enrollment Options
3.12 Act under section 124D.09 and not otherwise included in the pupil count under section
3.13 126C.05.

3.14 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2019 and later.

3.15 Sec. 4. Minnesota Statutes 2016, section 126C.44, is amended to read:

3.16 **126C.44 SAFE SCHOOLS LEVY.**

3.17 (a) Each district may make a levy on all taxable property located within the district for
3.18 the purposes specified in this section. The maximum amount which may be levied for all
3.19 costs under this section shall be equal to \$36 multiplied by the district's adjusted pupil units
3.20 for the school year. The proceeds of the levy must be reserved and used for directly funding
3.21 the following purposes or for reimbursing the cities and counties who contract with the
3.22 district for the following purposes:

3.23 (1) to pay the costs incurred for the salaries, benefits, and transportation costs of peace
3.24 officers and sheriffs for liaison in services in the district's schools;

3.25 (2) to pay the costs for a drug abuse prevention program as defined in section 609.101,
3.26 subdivision 3, paragraph (e), in the elementary schools;

3.27 (3) to pay the costs for a gang resistance education training curriculum in the district's
3.28 schools;

3.29 (4) to pay the costs for security in the district's schools and on school property;

3.30 (5) to pay the costs for other crime prevention, drug abuse, student and staff safety,
3.31 voluntary opt-in suicide prevention tools, and violence prevention measures taken by the
3.32 school district;

4.1 (6) to pay costs for licensed school counselors, licensed school nurses, licensed school
 4.2 social workers, licensed school psychologists, and licensed alcohol and chemical dependency
 4.3 counselors to help provide early responses to problems;

4.4 (7) to pay for facility security enhancements including laminated glass, public
 4.5 announcement systems, emergency communications devices, and equipment and facility
 4.6 modifications related to violence prevention and facility security;

4.7 (8) to pay for costs associated with improving the school climate; or

4.8 (9) to pay costs for colocating and collaborating with mental health professionals who
 4.9 are not district employees or contractors.

4.10 (b) For expenditures under paragraph (a), clause (1), the district must initially attempt
 4.11 to contract for services to be provided by peace officers or sheriffs with the police department
 4.12 of each city or the sheriff's department of the county within the district containing the school
 4.13 receiving the services. If a local police department or a county sheriff's department does
 4.14 not wish to provide the necessary services, the district may contract for these services with
 4.15 any other police or sheriff's department located entirely or partially within the school district's
 4.16 boundaries.

4.17 (c) A school district that is a member of an intermediate school district may include in
 4.18 its authority under this section the costs associated with safe schools activities authorized
 4.19 under paragraph (a) for intermediate school district programs. This authority must not exceed
 4.20 \$15 times the adjusted pupil units of the member districts. This authority is in addition to
 4.21 any other authority authorized under this section. Revenue raised under this paragraph must
 4.22 be transferred to the intermediate school district.

4.23 (d) A charter school's safe schools revenue equals \$36 times the charter school's adjusted
 4.24 pupil units for that year.

4.25 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2019 and later.

4.26 Sec. 5. Minnesota Statutes 2016, section 127A.47, subdivision 7, is amended to read:

4.27 Subd. 7. **Alternative attendance programs.** (a) The general education aid and special
 4.28 education aid for districts must be adjusted for each pupil attending a nonresident district
 4.29 under sections 123A.05 to 123A.08, 124D.03, 124D.08, and 124D.68. The adjustments
 4.30 must be made according to this subdivision.

4.31 (b) For purposes of this subdivision, the "unreimbursed cost of providing special
 4.32 education and services" means the difference between: (1) the actual cost of providing

5.1 special instruction and services, including special transportation and unreimbursed building
5.2 lease and debt service costs for facilities used primarily for special education, for a pupil
5.3 with a disability, as defined in section 125A.02, or a pupil, as defined in section 125A.51,
5.4 who is enrolled in a program listed in this subdivision, minus (2) if the pupil receives special
5.5 instruction and services outside the regular classroom for more than 60 percent of the school
5.6 day, the amount of general education revenue, excluding local optional revenue, plus local
5.7 optional aid and state average referendum equalization aid revenue as defined in section
5.8 125A.11, subdivision 1, paragraph (d), attributable to that pupil for the portion of time the
5.9 pupil receives special instruction and services outside of the regular classroom, excluding
5.10 portions attributable to district and school administration, district support services, operations
5.11 and maintenance, capital expenditures, and pupil transportation, minus (3) special education
5.12 aid under section 125A.76 attributable to that pupil, that is received by the district providing
5.13 special instruction and services. For purposes of this paragraph, general education revenue
5.14 and state average referendum equalization aid revenue attributable to a pupil must be
5.15 calculated using the serving district's average general education revenue and state average
5.16 referendum equalization aid revenue per adjusted pupil unit.

5.17 (c) ~~For fiscal year 2015 and later,~~ Special education aid paid to a resident district must
5.18 be reduced by an amount equal to 90 percent of the unreimbursed cost of providing special
5.19 education and services.

5.20 (d) Notwithstanding paragraph (c), special education aid paid to a resident district must
5.21 be reduced by an amount equal to 100 percent of the unreimbursed cost of special education
5.22 and services provided to students at an intermediate district, cooperative, or charter school
5.23 where the percent of students eligible for special education services is at least 70 percent
5.24 of the charter school's total enrollment.

5.25 (e) Notwithstanding paragraph (c), special education aid paid to a resident district must
5.26 be reduced under paragraph (d) for students at a charter school receiving special education
5.27 aid under section 124E.21, subdivision 3, calculated as if the charter school received special
5.28 education aid under section 124E.21, subdivision 1.

5.29 (f) Special education aid paid to the district or cooperative providing special instruction
5.30 and services for the pupil, or to the fiscal agent district for a cooperative, must be increased
5.31 by the amount of the reduction in the aid paid to the resident district under paragraphs (c)
5.32 and (d). If the resident district's special education aid is insufficient to make the full
5.33 adjustment under paragraphs (c), (d), and (e), the remaining adjustment shall be made to
5.34 other state aids due to the district.

6.1 (g) Notwithstanding paragraph (a), general education aid paid to the resident district of
6.2 a nonspecial education student for whom an eligible special education charter school receives
6.3 general education aid under section 124E.20, subdivision 1, paragraph (c), must be reduced
6.4 by an amount equal to the difference between the general education aid attributable to the
6.5 student under section 124E.20, subdivision 1, paragraph (c), and the general education aid
6.6 that the student would have generated for the charter school under section 124E.20,
6.7 subdivision 1, paragraph (a). For purposes of this paragraph, "nonspecial education student"
6.8 means a student who does not meet the definition of pupil with a disability as defined in
6.9 section 125A.02 or the definition of a pupil in section 125A.51.

6.10 (h) An area learning center operated by a service cooperative, intermediate district,
6.11 education district, or a joint powers cooperative may elect through the action of the
6.12 constituent boards to charge the resident district tuition for pupils rather than to have the
6.13 general education revenue paid to a fiscal agent school district. Except as provided in
6.14 paragraph (f), the district of residence must pay tuition equal to at least 90 and no more than
6.15 100 percent of the district average general education revenue per pupil unit minus an amount
6.16 equal to the product of the formula allowance according to section 126C.10, subdivision 2,
6.17 times .0466, calculated without compensatory revenue, local optional revenue, and
6.18 transportation sparsity revenue, times the number of pupil units for pupils attending the area
6.19 learning center.

6.20 **EFFECTIVE DATE.** This section is effective for fiscal year 2019 and later.