Section 1. Minnesota Statutes 2022, section 123B.595, subdivision 1, is amended to read:

Subdivision 1. Long-term facilities maintenance revenue. (a) For fiscal year 2017 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) $193 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of $100,000 or more per site, plus (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(b) For fiscal year 2018 only, long-term facilities maintenance revenue equals the greater of (1) the sum of (i) $292 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of $100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(c) For fiscal year 2019 and later, (a) long-term facilities maintenance revenue equals the greater of (1) the sum of (i) $380 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of $100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

(b) For fiscal year 2019 and later, (a) long-term facilities maintenance revenue equals the greater of (1) the sum of (i) $380 times the district's adjusted pupil units times the lesser of one or the ratio of the district's average building age to 35 years, plus (ii) the cost approved by the commissioner for indoor air quality, fire alarm and suppression, and asbestos abatement projects under section 123B.57, subdivision 6, with an estimated cost of $100,000 or more per site, plus (iii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction, or (2) the sum of (i) the amount the district would have qualified for under Minnesota Statutes 2014, section 123B.57, Minnesota Statutes 2014, section 123B.59, and Minnesota Statutes 2014, section 123B.591, and (ii) for a school district with an approved voluntary prekindergarten program under section 124D.151, the cost approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.
Subd. 3. School equals $132 times the adjusted pupil units.

This section is effective for revenue for fiscal years 2018 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 2. Minnesota Statutes 2022, section 123B.595, subdivision 2, is amended to read:

(a) Notwithstanding paragraphs (a), (b), and (c), a school district that qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2010 remains eligible for funding under this section as a district that would have qualified for eligibility under Minnesota Statutes 2014, section 123B.59, subdivision 1, paragraph (a), for fiscal year 2017 and later.

(b) The resolution adopted under paragraph (a) may specify which member districts will be responsible for the long-term maintenance costs of the intermediate district

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Subd. 3. Minnesota Statutes 2022, section 123B.595, subdivision 3, is amended to read:

(a) For fiscal year 2017 only, long-term facilities maintenance revenue for a charter school equals $34 times the adjusted pupil units.

(b) For fiscal year 2018 only, long-term facilities maintenance revenue for a charter school equals $35 times the adjusted pupil units.

(c) For fiscal year 2019 and later, long-term facilities maintenance revenue for a charter school equals $36 times the adjusted pupil units.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 3. Minnesota Statutes 2022, section 123B.595, subdivision 3, is amended to read:

(a) For fiscal years 2017 to 2024, long-term facilities maintenance revenue for a charter school equals $34 times the adjusted pupil units.

(b) For fiscal year 2025, long-term facilities maintenance revenue for a charter school equals $34 times the adjusted pupil units.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Subd. 3. Intermediate districts and other cooperative units, (a) Upon approval through

the adoption of a resolution by each member district school board of an intermediate district

or other cooperative unit under section 123A.24, subdivision 2, or a joint powers

district under section 471.59, and the approval of the commissioner of education, a school

district may issue bonds to finance the project costs or, for leased facilities, pay the portion

of lease costs attributable to the amortized cost of long-term facilities maintenance projects

completed by the landlord. Authority under this subdivision is in addition to the authority

for individual district projects under subdivision 1.

(b) The resolution adopted under paragraph (a) may specify which member districts will

share the project costs under this subdivision, except that debt service payments for bonds

issued by a cooperative unit or joint powers district to finance long-term maintenance project

costs must be the responsibility of all member districts.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.
Sec. 4. Minnesota Statutes 2022, section 123B.595, subdivision 4, is amended to read:

Subd. 4. Facilities plans. (a) To qualify for revenue under this section, a school district or intermediate district, not including a charter school, must have a ten-year facility plan adopted by the school board and approved by the commissioner. The plan must include provisions for implementing a health and safety program that complies with health, safety, and environmental regulations and best practices, including indoor air quality management and remediation of lead hazards. For planning purposes, the plan must also address provisions for providing a gender-neutral single-user restroom at each school site.

(b) The district must annually update the plan, submit the plan to the commissioner for approval by July 31, and indicate whether the district will issue bonds to finance the plan or levy for the costs.

(c) For school districts issuing bonds to finance the plan, the plan must include a debt service schedule demonstrating that the debt service revenue required to pay the principal and interest on the bonds each year will not exceed the projected long-term facilities revenue for that year.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 5. Minnesota Statutes 2022, section 123B.595, subdivision 7, is amended to read:

Subd. 7. Long-term facilities maintenance equalization revenue. (a) For fiscal year 2017 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $193 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(b) For fiscal year 2018 only, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $292 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(c) For fiscal year 2019 and later, a district's long-term facilities maintenance equalization revenue equals the lesser of (1) $380 times the adjusted pupil units or (2) the district's revenue under subdivision 1.

(d) Notwithstanding paragraphs (a) to (c), a district's long-term facilities maintenance equalization revenue must not be less than the lesser of the district's long-term facilities maintenance revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 6. Minnesota Statutes 2022, section 123B.595, subdivision 8, is amended to read:

Subd. 8. Long-term facilities maintenance equalized levy. (a) For fiscal year 2017 and later, a district's long-term facilities maintenance equalized levy equals the district's long-term facilities maintenance equalization revenue minus the greater of:
(1) the lesser of the district's long-term facilities maintenance equalization revenue or the amount of aid the district received for fiscal year 2015 under Minnesota Statutes 2014, section 123B.59, subdivision 6; or

(2) the district's long-term facilities maintenance equalization revenue times the greater of (i) zero or (ii) one minus the ratio of its adjusted net tax capacity per adjusted pupil unit in the year preceding the year the levy is certified to 123 percent of the state average adjusted net tax capacity per adjusted pupil unit for all school districts in the year preceding the year the levy is certified.

(b) For purposes of this subdivision, "adjusted net tax capacity" means the value described in section 126C.01, subdivision 2, paragraph (b).

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 7. Minnesota Statutes 2022, section 123B.595, subdivision 8a, is amended to read:

Subd. 8a. Long-term facilities maintenance unequalized levy. For fiscal year 2017 and later, a district's long-term facilities maintenance unequalized levy equals the difference between the district's revenue under subdivision 1 and the district's equalization revenue under subdivision 7.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 8. Minnesota Statutes 2022, section 123B.595, subdivision 9, is amended to read:

Subd. 9. Long-term facilities maintenance equalized aid. For fiscal year 2017 and later, a district's long-term facilities maintenance equalized aid equals its long-term facilities maintenance equalization revenue minus its long-term facilities maintenance equalized levy times the ratio of the actual equalized amount levied to the permitted equalized levy.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 9. Minnesota Statutes 2022, section 123B.595, subdivision 10, is amended to read:

Subd. 10. Allowed uses for long-term facilities maintenance revenue. (a) A district may use revenue under this section for any of the following:

(1) deferred capital expenditures and maintenance projects necessary to prevent further erosion of facilities;

(2) increasing accessibility of school facilities;

(3) health and safety capital projects under section 123B.57; or

(4) remodeling or constructing a gender-neutral single-user restroom at each school site;
by board resolution, to transfer money from the general fund reserve for long-term
facilities maintenance to the debt redemption fund to pay the amounts needed to meet, when
due, principal and interest on general obligation bonds issued under subdivision 5.
(b) A charter school may use revenue under this section for any purpose related to the
school.
EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.
Sec. 10. Minnesota Statutes 2022, section 123B.595, subdivision 11, is amended to read:
Subd. 11. Restrictions on long-term facilities maintenance revenue. Notwithstanding
subdivision 10, long-term facilities maintenance revenue may not be used:
(1) for the construction of new facilities, remodeling of existing facilities, or the purchase
of portable classrooms, except for the costs associated with constructing or remodeling
existing facilities to include at least one gender-neutral single-user restroom authorized
under subdivision 10;
(2) to finance a lease purchase agreement, installment purchase agreement, or other
deferred payments agreement;
(3) for energy-efficiency projects under section 123B.65, for a building or property or
part of a building or property used for postsecondary instruction or administration, or for a
purpose unrelated to elementary and secondary education; or
(4) for violence prevention and facility security, ergonomics, or emergency
communication devices.
EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.
Sec. 11. Minnesota Statutes 2022, section 123B.71, subdivision 9, is amended to read:
Subd. 9. Information required. A school board proposing to construct, expand, or
remodel a facility that requires a review and comment under subdivision 8 shall submit to
the commissioner a proposal containing information including at least the following:
(1) the geographic area and population to be served, preschool through grade 12 student
enrollments for the past five years, and student enrollment projections for the next five
years;
(2) a list of existing facilities by year constructed, their uses, and an assessment of the
extent to which alternate facilities are available within the school district boundaries and in
adjacent school districts;
(3) a list of the specific deficiencies of the facility that demonstrate the need for a new
or renovated facility to be provided, the process used to determine the deficiencies; a list
of those deficiencies that will and will not be addressed by the proposed project; and a list

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of the specific benefits that the new or renovated facility will provide to the students, teachers,
and community users served by the facility;

(a) a description of the project, including the specification of site and outdoor space
acreage and square footage allocations for classrooms, laboratories, and support spaces;
estimated expenditures for the major portions of the project; and the dates the project will
begin and be completed;

(5) a description of the project’s plans for gender-neutral single-user restrooms, locker
room privacy stalls, or other spaces with privacy features, including single-user shower
stalls, changing stalls, or other single-user facilities;

(6) a specification of the source of financing the project, including applicable statutory
citations; the scheduled date for a bond issue or school board action; a schedule of payments;
including debt service equalization aid; and the effect of a bond issue on local property
taxes by the property class and valuation; and

documents obligating the school district and contractors to comply with items
(i) to (vi) in planning and executing the project:

(i) section 471.345 governing municipal contracts;
(ii) sustainable design;
(iii) school facility commissioning under section 123B.72 certifying the plans and designs
for the heating, ventilating, air conditioning, and air filtration for an extensively renovated
or new facility meet or exceed current code standards, including the ASHRAE air filtration
standard 52.1;
(iv) American National Standards Institute Acoustical Performance Criteria, Design
Requirements and Guidelines for Schools on maximum background noise level and
reverberation times;
(v) State Fire Code;
(vi) chapter 326B governing building codes; and
(vii) consultation with affected government units about the impact of the project on
utilities, roads, sewers, sidewalks, retention ponds, school bus and automobile traffic, access
to mass transit, and safe access for pedestrians and cyclists.

EFFECTIVE DATE: This section is effective for review and comments submitted on
or after July 1, 2023.

Sec. 12. Minnesota Statutes 2022, section 126C.10, subdivision 14, is amended to read:

Subd. 14. Uses of total operating capital revenue. Total operating capital revenue may
be used only for the following purposes:

(1) to acquire land for school purposes;
(2) to acquire or construct buildings for school purposes;
(3) to rent or lease buildings, including the costs of building repair or improvement that are part of a lease agreement;
(4) to improve and repair school sites and buildings, and equip or reequip school buildings with permanent attached fixtures, including library media centers and gender-neutral single-user restrooms, locker room privacy stalls, or other spaces with privacy features; including single-user shower stalls, changing stalls, or other single-user facilities;
(5) for a surplus school building that is used substantially for a public nonschool purpose;
(6) to eliminate barriers or increase access to school buildings by individuals with a disability;
(7) to bring school buildings into compliance with the State Fire Code adopted according to chapter 299F;
(8) to remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
(9) to clean up and dispose of polychlorinated biphenyls found in school buildings;
(10) to clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01;
(11) for energy audits for school buildings and to modify buildings if the audit indicates the cost of the modification can be recovered within ten years;
(12) to improve buildings that are leased according to section 123B.51, subdivision 4;
(13) to pay special assessments levied against school property but not to pay assessments for service charges;
(14) to pay principal and interest on state loans for energy conservation according to section 216C.37 or loans made under the Douglas F. Johnson Economic Protection Trust Fund Act according to sections 298.292 to 298.294;
(15) to purchase or lease interactive telecommunications equipment;
(16) by board resolution, to transfer money into the debt redemption fund to: (i) pay the amounts needed to meet, when due, principal and interest payments on certain obligations issued according to chapter 475; or (ii) pay principal and interest on debt service loans or capital loans according to section 126C.70;
(17) to pay operating capital-related assessments of any entity formed under a cooperative agreement between two or more districts;
(18) to purchase or lease computers and related hardware, software, and annual licensing fees, copying machines, telecommunications equipment, and other noninstructional equipment;
(19) to purchase or lease assistive technology or equipment for instructional programs;
(20) to purchase textbooks as defined in section 123B.41, subdivision 2;
(21) to purchase new and replacement library media resources or technology;
(22) to lease or purchase vehicles;
(23) to purchase or lease telecommunications equipment, computers, and related equipment for integrated information management systems for:
   (i) managing and reporting learner outcome information for all students under a results-oriented graduation rule;
   (ii) managing student assessment, services, and achievement information required for students with individualized education programs; and
   (iii) other classroom information management needs;
(24) to pay personnel costs directly related to the acquisition, operation, and maintenance of telecommunications systems, computers, related equipment, and network and applications software; and
(25) to pay the costs directly associated with closing a school facility, including moving and storage costs.

EFFECTIVE DATE. This section is effective for fiscal year 2024 and later.

Subdivision 1. To lease building or land. (a) When an independent or a special school district or a group of independent or special school districts finds it economically advantageous to rent or lease a building or land for any instructional purposes or for school storage or furniture repair, and it determines that the operating capital revenue authorized under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use.

(b) The criteria for approval of applications to levy under this subdivision must include:
   (1) the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building or land, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must...
not authorize a levy under this subdivision in an amount greater than the cost to the district
of renting or leasing a building or land for approved purposes. The proceeds of this levy
must not be used for custodial or other maintenance services. A district may not levy under
this subdivision for the purpose of leasing or renting a district-owned building or site to
itself.

(c) For agreements finalized after July 1, 1997, a district may not levy under this
subdivision for the purpose of leasing: (1) a newly constructed building used primarily for
regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
building addition or additions used primarily for regular kindergarten, elementary, or
secondary instruction that contains more than 20 percent of the square footage of the
previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
purpose of leasing or renting a district-owned building or site to itself only if the amount is
needed by the district to make payments required by a lease purchase agreement, installment
purchase agreement, or other deferred payments agreement authorized by law, and the levy
meets the requirements of paragraph (c). A levy authorized for a district by the commissioner
under this paragraph may be in the amount needed by the district to make payments required
by a lease purchase agreement, installment purchase agreement, or other deferred payments
agreement authorized by law, provided that any agreement include a provision giving the
school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed $212
times the adjusted pupil units for the fiscal year to which the levy is attributable.

(f) For agreements for which a review and comment have been submitted to the
Department of Education after April 1, 1998, the term "instructional purpose" as used in
this subdivision excludes expenditures on stadiums.

(g) The commissioner of education may authorize a school district to exceed the limit
in paragraph (e) if the school district petitions the commissioner for approval. The
commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
for not more than five years if the district meets the following criteria:

(1) the school district has been experiencing pupil enrollment growth in the preceding
five years;

(2) the purpose of the increased levy is in the long-term public interest;

(3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding
over construction of school facilities.

(h) A school district that is a member of an intermediate school district or other
cooperative unit under section 123A.24, subdivision 2, or a joint powers district under
section 471.59 may include in its authority under this section the costs associated with leases

not authorize a levy under this subdivision in an amount greater than the cost to the district
of renting or leasing a building or land for approved purposes. The proceeds of this levy
must not be used for custodial or other maintenance services. A district may not levy under
this subdivision for the purpose of leasing or renting a district-owned building or site to
itself.

(c) For agreements finalized after July 1, 1997, a district may not levy under this
subdivision for the purpose of leasing: (1) a newly constructed building used primarily for
regular kindergarten, elementary, or secondary instruction; or (2) a newly constructed
building addition or additions used primarily for regular kindergarten, elementary, or
secondary instruction that contains more than 20 percent of the square footage of the
previously existing building.

(d) Notwithstanding paragraph (b), a district may levy under this subdivision for the
purpose of leasing or renting a district-owned building or site to itself only if the amount is
needed by the district to make payments required by a lease purchase agreement, installment
purchase agreement, or other deferred payments agreement authorized by law, and the levy
meets the requirements of paragraph (c). A levy authorized for a district by the commissioner
under this paragraph may be in the amount needed by the district to make payments required
by a lease purchase agreement, installment purchase agreement, or other deferred payments
agreement authorized by law, provided that any agreement include a provision giving the
school districts the right to terminate the agreement annually without penalty.

(e) The total levy under this subdivision for a district for any year must not exceed $212
times the adjusted pupil units for the fiscal year to which the levy is attributable.

(f) For agreements for which a review and comment have been submitted to the
Department of Education after April 1, 1998, the term "instructional purpose" as used in
this subdivision excludes expenditures on stadiums.

(g) The commissioner of education may authorize a school district to exceed the limit
in paragraph (e) if the school district petitions the commissioner for approval. The
commissioner shall grant approval to a school district to exceed the limit in paragraph (e)
for not more than five years if the district meets the following criteria:

(1) the school district has been experiencing pupil enrollment growth in the preceding
five years;

(2) the purpose of the increased levy is in the long-term public interest;

(3) the purpose of the increased levy promotes colocation of government services; and

(4) the purpose of the increased levy is in the long-term interest of the district by avoiding
over construction of school facilities.

(h) A school district that is a member of an intermediate school district or other
cooperative unit under section 123A.24, subdivision 2, or a joint powers district under
section 471.59 may include in its authority under this section the costs associated with leases

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of administrative and classroom space for intermediate school district programs of the intermediate school district or other cooperative unit under section 123A.24, subdivision 2, or joint powers district under section 471.59. This authority must not exceed $65 times the adjusted pupil units of the member districts. This authority is in addition to any other authority authorized under this section. The intermediate school district, other cooperative unit, or joint powers district may specify which member districts will levy for lease costs under this paragraph.

(i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012 to 2023, a district that is a member of the "Technology and Information Education Systems" processing joint board, that finds it economically advantageous to enter into an agreement to finance improvements to a building and land for a group of school districts or special school districts for staff development purposes, may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The total levy authority under this paragraph shall not exceed $652,000.

(j) Notwithstanding paragraph (a), a district may levy under this subdivision for the purpose of leasing administrative space if the district can demonstrate to the satisfaction of the commissioner that the lease cost for the administrative space is no greater than the lease cost for instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under this section if the commissioner does not grant authority under this paragraph. The resolution must also certify that the lease cost for administrative space under this paragraph is no greater than the lease cost for the district's proposed instructional lease.

(k) Notwithstanding paragraph (a), a district may levy under this subdivision for the district's proportionate share of deferred maintenance expenditures for a district-owned building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 for any instructional purposes or for school storage.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2024 and later.

Sec. 14. Minnesota Statutes 2022, section 126C.40, subdivision 6, is amended to read:

Subd. 6. Lease purchase; installment buy. (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

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119.30 (i) In addition to the allowable capital levies in paragraph (a), for taxes payable in 2012 to 2023, a district that is a member of the "Technology and Information Education Systems" processing joint board, that finds it economically advantageous to enter into a lease agreement to finance improvements to a building and land for a group of school districts or special school districts for staff development purposes, may levy for its portion of lease costs attributed to the district within the total levy limit in paragraph (e). The total levy authority under this paragraph shall not exceed $652,000.

(4) (i) Notwithstanding paragraph (a), a district may levy under this subdivision for the purpose of leasing administrative space if the district can demonstrate to the satisfaction of the commissioner that the lease cost for the administrative space is no greater than the lease cost for instructional space that the district would otherwise lease. The commissioner must deny this levy authority unless the district passes a resolution stating its intent to lease instructional space under this section if the commissioner does not grant authority under this paragraph. The resolution must also certify that the lease cost for administrative space under this paragraph is no greater than the lease cost for the district's proposed instructional lease.

(ii) Notwithstanding paragraph (a), a district may levy under this subdivision for the district's proportionate share of deferred maintenance expenditures for a district-owned building or site leased to a cooperative unit under section 123A.24, subdivision 2, or a joint powers district under section 471.59 for any instructional purposes or for school storage.

EFFECTIVE DATE. This section is effective for revenue for fiscal year 2025 and later.

Sec. 3. Minnesota Statutes 2022, section 126C.40, subdivision 6, is amended to read:

Subd. 6. Lease purchase; installment buy. (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.
(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

d) For the purposes of this subdivision, "district" means:

(1) Special School District No. 1, Minneapolis, Independent School District No. 625, St. Paul, Independent School District No. 709, Duluth, or Independent School District No. 535, Rochester, if the district's desegregation plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and where the acquisition of property under this subdivision is determined by the commissioner to contribute to the implementation of the desegregation plan; or

(2) other districts eligible for revenue under section 124D.862 if the facility acquired under this subdivision is to be primarily used for a joint program for interdistrict desegregation and the commissioner determines that the joint programs are being undertaken to implement the districts' desegregation plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

(g) Projects funded under this subdivision are subject to review and comment under section 123B.71, subdivision 5, in the same manner as other school construction projects.

Sec. 15. Minnesota Statutes 2022, section 126C.44, is amended to read:

126C.44 SAFE SCHOOLS LEVY REVENUE.

Subdivision 1. Safe schools revenue for school districts. (a) Each district may make a levy on all taxable property located within the district for the purposes specified in this section. The maximum amount which may be levied for all costs under this section shall be equal to $36 multiplied by the district's adjusted pupil units for the school year. A school district's safe schools revenue equals its safe schools levy.

Subd. 2. School district safe schools levy. A school district's safe schools levy equals $36 times the district's adjusted pupil units for the school year.

Subd. 3. Safe schools revenue for intermediate school districts. A school district that is a member of an intermediate school district may include in its levy authority under this section the costs associated with safe schools activities authorized under this section for
intermediate school district programs. This authority must not exceed the product of $15,275.20
and the adjusted pupil units of the member districts. This authority is in addition to any
other authority authorized under this section. Revenue raised under this subdivision must
be transferred to the intermediate school district;

Subd. 4. Use of safe schools revenue. The proceeds of the levy Safe schools revenue
must be reserved and used for directly funding the following purposes or for reimbursing
the cities and counties who contract with the district for the following purposes;

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

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

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

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

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

(6) to pay costs for licensed school counselors, licensed school nurses, licensed school
social workers, licensed school psychologists, and licensed alcohol and substance use
disorder counselors to help provide early responses to problems;

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

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

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

(10) to pay costs for public assessing and evaluating tools, including updates to computer
hardware and software, other systems upgrades, and cybersecurity insurance costs;

(b) For expenditures under paragraph (a), clause (1), the district must initially attempt
to contract for services to be provided by peace officers or sheriffs with the police department
of each city or the sheriff's department of the county within the district containing the school
receiving the services. If a local police department or a county sheriff's department does
not wish to provide the necessary services, the district may contract for these services with
any other police or sheriff's department located entirely or partially within the school district's
boundaries;
(c) A school district that is a member of an intermediate school district may include in its long-term facilities maintenance revenue any school facility. The Department of Education must adjust an eligible school district's long-term facilities maintenance revenue to include these costs.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2024 and later.

Subd. 2. Eligibility. A school board that purchases a nonschool facility and converts it to a school building may document to the commissioner of education, in the form and manner specified by the commissioner, that the purchase and subsequent remodeling of the facility is less expensive than constructing a new facility for the same space and is eligible for an adjustment to its long-term facilities maintenance revenue according to subdivision 2.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2024 and later.

Subd. 2. Inclusion in plan and revenue. Notwithstanding Minnesota Statutes, section 123B.595, or any other law to the contrary, an eligible school district under subdivision 1 may include in its long-term facilities maintenance ten-year plan any heating, ventilation, and air conditioning projects necessary to improve air handling performance sufficient to satisfy the requirements for a certificate of occupancy for the space for its intended use as a school facility. The Department of Education must adjust an eligible school district's long-term facilities maintenance revenue to include these costs.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to a nonschool facility purchased on or after January 1, 2019.

**Subdivision 1. Eligibility.** A school board that purchases a nonschool facility and converts it to a school building may document to the commissioner of education, in the form and manner specified by the commissioner, that the purchase and subsequent remodeling of the facility is less expensive than constructing a new facility for the same space and is eligible for an adjustment to its long-term facilities maintenance revenue according to subdivision 2.

**EFFECTIVE DATE.** This section is effective for taxes payable in 2024 and later.

Subdivision 2. Inclusion in plan and revenue. Notwithstanding Minnesota Statutes, section 123B.595, or any other law to the contrary, an eligible school district under subdivision 1 may include in its long-term facilities maintenance ten-year plan any heating, ventilation, and air conditioning projects necessary to improve air handling performance sufficient to satisfy the requirements for a certificate of occupancy for the space for its intended use as a school facility. The Department of Education must adjust an eligible school district's long-term facilities maintenance revenue to include these costs.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to a nonschool facility purchased between January 1, 2019, and June 30, 2023.

Sec. 6. **FUND TRANSFER; MOORHEAD AREA PUBLIC SCHOOLS.** Notwithstanding Minnesota Statutes, section 123B.595, subdivisions 10 and 11, 123B.79, or 123B.80, on June 30, 2023, Independent School District No. 152, Moorhead Area Public Schools, may permanently transfer up to $5,000,000 from the long-term facilities maintenance reserve account in the general fund to the operating capital account in the general fund.
Sec. 8. APPROPRIATIONS.

Subdivision 1. Department of Education. The sums indicated in this section are appropriated from the general fund to the Department of Education for the fiscal years designated.

Subd. 2. Building and cybersecurity grant program. (a) To provide grants to school districts and charter schools to improve building security and cybersecurity:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$15,000,000</td>
<td>2025</td>
<td>$0</td>
</tr>
</tbody>
</table>

(b) A cooperative unit, school district, or charter school may apply for a grant in the form and manner specified by the commissioner:

(c) Funds may be used for security-related facility improvements, cybersecurity insurance premiums, and associated costs.

(d) Up to $100,000 is available for grant administration and monitoring.

(e) This is a onetime appropriation and is available until June 30, 2027.

Subd. 3. Debt service equalization aid. (a) For debt service equalization aid under Minnesota Statutes, section 123B.53, subdivision 6:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$24,511,000</td>
<td>2025</td>
<td>$21,351,000</td>
</tr>
</tbody>
</table>

(b) The 2024 appropriation includes $2,424,000 for 2023 and $22,087,000 for 2024.

(c) The 2025 appropriation includes $2,454,000 for 2024 and $18,897,000 for 2025.

Subd. 4. Equity in telecommunications access. (a) For equity in telecommunications access:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$3,750,000</td>
<td>2025</td>
<td>$3,750,000</td>
</tr>
</tbody>
</table>
If the appropriation amount is insufficient, the commissioner shall reduce the reimbursement rate in Minnesota Statutes, section 125B.26, subdivisions 4 and 5, and the revenue for fiscal years 2024 and 2025 shall be prorated. Any balance in the first year does not cancel but is available in the second year.

Grants for gender-neutral single-user restrooms. (a) For grants to school districts for remodeling, constructing, or repurposing space for gender-neutral single-user restrooms:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>2025</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

(b) A school district or a cooperative unit under Minnesota Statutes, section 123A.24, subdivision 2, may apply for a grant of not more than $75,000 per site under this subdivision in the form and manner specified by the commissioner. The commissioner must award at least one grant under this subdivision to Independent School District No. 709, Duluth, for a demonstration grant for a project awaiting construction.

(c) The commissioner must ensure that grants are awarded to schools to reflect the geographic diversity of the state.

(d) Up to $75,000 each year is available for grant administration and monitoring.

(e) By February 1 of each year, the commissioner must annually report to the committees of the legislature with jurisdiction over education on the number of grants that were awarded each year and the number of grant applications that were unfunded during that year.

Historic school building preservation grants. (a) For grants to school districts and the Minnesota State Academies for the Deaf and the Blind for historic school building preservation:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$400,000</td>
</tr>
<tr>
<td>2025</td>
<td>$400,000</td>
</tr>
</tbody>
</table>

(b) To be eligible for a grant under this subdivision, a school district or the Minnesota State Academies for the Deaf and the Blind must apply for a historic school building preservation grant in the form and manner determined by the commissioner. A grant recipient is eligible for up to $300,000 per eligible building. For purposes of this subdivision, "eligible building" means a building that is currently serving elementary or secondary students; and
(2) listed on the National Register of Historic Places.

A grant recipient must use funds received under this subdivision to properly maintain and prevent deterioration of the eligible building.

(c) Any balance in the first year does not cancel but is available in the second year.

(d) The base for fiscal year 2026 and later is $1,500,000.

Subd. 5. Long-term facilities maintenance equalized aid. (a) For long-term facilities maintenance equalized aid under Minnesota Statutes, section 123B.595, subdivision 9:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$108,045,000</td>
<td>2025</td>
<td>$108,045,000</td>
</tr>
</tbody>
</table>

(b) The 2024 appropriation includes $10,821,000 for 2023 and $97,224,000 for 2024.

(c) The 2025 appropriation includes $10,803,000 for 2024 and $97,442,000 for 2025.