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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1568**

March 1, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to education finance; modifying the pupil transportation formulas
1.3 for charter schools; amending Minnesota Statutes 2006, sections 124D.10,
1.4 subdivision 16; 124D.11, subdivision 2.

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

1.6 Section 1. Minnesota Statutes 2006, section 124D.10, subdivision 16, is amended to
1.7 read:

1.8 Subd. 16. **Transportation.** (a) A charter school after its first fiscal year of operation
1.9 by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of
1.10 operation must notify the district in which the school is located and the Department of
1.11 Education if it will provide its own transportation or use the transportation services of the
1.12 district in which it is located for the fiscal year.

1.13 (b) If a charter school elects to provide transportation for pupils, the transportation
1.14 must be provided by the charter school within the district in which the charter school is
1.15 located. The state must pay transportation aid to the charter school according to section
1.16 124D.11, subdivision 2.

1.17 For pupils who reside outside the district in which the charter school is located, the
1.18 charter school is not required to provide or pay for transportation between the pupil's
1.19 residence and the border of the district in which the charter school is located. A parent
1.20 may be reimbursed by the charter school for costs of transportation from the pupil's
1.21 residence to the border of the district in which the charter school is located if the pupil is
1.22 from a family whose income is at or below the poverty level, as determined by the federal
1.23 government. The reimbursement may not exceed the pupil's actual cost of transportation

2.1 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
2.2 more than 250 miles per week.

2.3 At the time a pupil enrolls in a charter school, the charter school must provide the
2.4 parent or guardian with information regarding the transportation.

2.5 (c) If a charter school does not elect to provide transportation, the charter school may
2.6 elect to require the district in which the school is located to provide transportation services
2.7 within an attendance area established by the school district according to the provisions
2.8 of clause (1). Alternatively, the charter school may elect to require the district in which
2.9 the charter school is located to provide transportation services within the entire school
2.10 district according to clause (2).

2.11 (1) For a charter school that elects to receive transportation for pupils enrolled
2.12 at the school within an attendance area established by the school district, the services
2.13 must be provided by the district in which the school is located, according to sections
2.14 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in the same
2.15 ~~district~~ attendance area in which the charter school is located.

2.16 (2) For a charter school that elects to require a school district to provide
2.17 transportation services for all students residing in the same district, the services must be
2.18 provided according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
2.19 pupil residing in the same district in which the charter school is located. The school
2.20 district may bill the charter school for unreimbursed transportation costs according to
2.21 section 124D.11, subdivision 2.

2.22 (d) Transportation may be provided by the district in which the school is located,
2.23 according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil
2.24 residing in a different district.

2.25 (e) If the district provides the transportation, the scheduling of routes, manner and
2.26 method of transportation, control and discipline of the pupils, attendance areas, and any
2.27 other matter relating to the transportation of pupils under this ~~paragraph~~ subdivision shall
2.28 be within the sole discretion, control, and management of the district.

2.29 **EFFECTIVE DATE.** This section is effective July 1, 2007.

2.30 Sec. 2. Minnesota Statutes 2006, section 124D.11, subdivision 2, is amended to read:

2.31 Subd. 2. **Transportation revenue.** (a) Transportation revenue must be paid to
2.32 a charter school that provides transportation services according to section 124D.10,
2.33 subdivision 16, according to this subdivision. Transportation aid shall equal transportation
2.34 revenue.

3.1 **(b)** In addition to the revenue under subdivision 1, a charter school providing
3.2 transportation services must receive general education aid equal to the sum of the product
3.3 of (i) an amount equal to the product of the formula allowance according to section
3.4 126C.10, subdivision 2, times .0485, plus the transportation sparsity allowance for the
3.5 school district in which the charter school is located times (ii) the adjusted marginal cost
3.6 pupil units, plus the product of \$223 times the extended time marginal cost pupil units.

3.7 **(c)** For a charter school that is requiring the school district to provide transportation
3.8 services throughout a school district under section 124D.10, subdivision 16, paragraph (c),
3.9 clause (2), the school district's unreimbursed costs equal the greater of zero, or the district's
3.10 actual costs for transporting that charter school's charter school pupils less an amount
3.11 equal to the product of the formula allowance according to section 126C.10, subdivision
3.12 2, times .0485, plus the transportation sparsity allowance for the school district in which
3.13 the charter school is located for each student attending that charter school.

3.14 **EFFECTIVE DATE.** This section is effective July 1, 2007, for revenue for fiscal
3.15 year 2008.