Celebrating Chartering @ 30 – MINNESOTA’S STORY

Minnesota’s charter school law continued to evolve in the late 1990’s as the number of schools grew.

In 1997, the Legislature enacted two game changing financial measures regarding chartered schools. The biggest game changing financial measure was the enactment of building lease aid to provide funding to assist schools in paying for lease costs. The law contained a two-prong formula for determining the amount of lease aid a school would receive. The legislature appropriated $1,078,000 for FY 98 and $1,577,000 in FY 99. (Note: The appropriation for next fiscal year FY23 is $99,819,000)

The other financial game changer was the creation of charter school start-up grants. A charter school was eligible for a grant of $50,000, or $500 times the number of pupil units, whichever was the greater. $500,000 was appropriated in FY 98 and $1,000,000 for FY 99.

In terms of policy, there were also two significant changes which:

- Defined non-teaching staff as public employees for retirement purposes and required schools and employees to contribute to PERA (Public Employees Retirement Association)
- Required that the State Department of Education review and comment on the evaluation by a school district of the charter school before a charter contract was renewed.

What Did Not Get Enacted In 1997? - Legislation to allow the State to issue capital loans to charter school sponsors (traditional school districts) to acquire land and buildings for charter schools that have been in operation for at least three years.

1998 - The only change the 1998 Legislature made in the charter school law was to add “intermediate school district boards” as potential charter school sponsors.

1999 - Like the 1997 legislature, the 1999 session also enacted two significant financial measures – one related to Integration Revenue and the other about Transportation Aid:
• The first stated, "a charter school is eligible for the state aid portion of Integration Revenue for students enrolled who are residents of districts that are eligible for integration revenue if the enrollment of the pupil in the charter school contributes to desegregation or integration purposes."

• The other clarified that "if a charter school elected not to provide transportation, the aid shall be reduced by the amount per pupil until specified for the district where the charter school is located."

There were also two other financial provisions, one increased the per pupil amount of lease aid and the other clarified the state aid payment schedule for new charter schools.

The big policy change in 1999 was an amendment to the law which stated, "A person, without holding a valid administrator’s license, may perform administrative, supervisory or instructional leadership duties."

There were also a couple of process changes; one set the number of days a board had to vote after receiving a charter application and another the amount of time the charter contract had to be completed after the state board approved the sponsor’s proposed authorization of a school.

NEXT WEEK: 2001: The Beginning of A New Decade, New Growth, and New Accountability