



Policy #34. Minnesota Public School Fee Statute (MSBA #529)

Adopted by the St. Cloud Math and Science Academy Board of Directors: June 1, 2014

The following is a selection from *Minnesota's Public School Fee Law and Education Tax Credit and Deduction* by Legislative Analysts, Lisa Larson and Nina Manzi (House Research Department. St. Paul, MN. January 2003)

“Minnesota’s Policy Governing Student User Fees for School Services

Minnesota provides a free public school education consistent with state constitutional requirements. Districts may charge only those fees authorized in statute and must hold a hearing before imposing fees that are neither authorized nor prohibited by statute. Under the state’s public school fee law, school districts cannot deny students an education based on students’ inability to furnish books or other educational supplies needed to complete high school graduation or other related educational requirements. School districts may not suspend or exclude students or withhold students’ grades or diplomas for failing to pay school fees. School districts may accept voluntary contributions and may charge fees for extracurricular and non-curricular activities, or activities that supplement a class or educational program. School districts deposit the proceeds from extracurricular and non-curricular fees in the “undesignated-unreserved” portion of the district’s general fund.

Authorized Public School Fees. School districts may require students to pay for certain specified school -related costs. Such school -related costs include fees for school uniforms, extracurricular activities, security deposits, personal athletic equipment, supplementary field trips, voluntary student insurance, musical instruments, student publications, graduation announcements, class rings, post-secondary instructional programs excluding adult basic education programs, and personal stationery supplies. In addition, school boards may charge fees for lost or destroyed textbooks, workbooks, and library books if the school district annually informs parents and students about its fee policy regarding lost and destroyed books. School districts must hold a public hearing before imposing a fee that is neither authorized nor prohibited by statute. School districts may waive fees for economically disadvantaged students.

Prohibited Public School Fees. Because the state makes available a free public school education to all eligible students, school boards are prohibited from charging fees for necessary goods and services. Such necessary goods and services include instructional material and supplies, required library books, required school activities, lockers and student transportation to and from school for which aid or a levy is authorized. School boards must not charge a bus fee to students who live more than two miles from school but may charge a bus fee to students who live within two miles of school and wish to ride the school bus. Although school districts may not withhold the grades or diplomas of students who fail to pay fees, districts may seek court action to collect unpaid fees. It is not clear whether remedial instruction constitutes supplemental education, where a fee is permitted, or core curricula, where a fee is prohibited.

Advantages and disadvantages of Charging Student Fees

Student user fees generate revenues for school districts. They also can present concerns for school officials and state policymakers regarding equity in generating and allocating funds, accountability, and taxpayer support of school funding.

User fee supporters argue that fees are more acceptable than general tax increases because people who use fee-subsidized services help pay for them. The absence of fees, they say, would force school officials to eliminate entire extracurricular or enrichment programs that are important but cannot be funded with current levels of state aid or local tax revenues. By requiring students to pay participation fees for extracurricular activities, for example, a district can generate additional revenue that it can use to help offset a budget shortfall in an extracurricular activity or to help pay for new extracurricular activities not funded by a district.

User fee opponents argue that fees undermine the notion of a free public education by diminishing students' equal access to education, students' self worth, and equity among taxpayers. Fiscal inequities can arise when parent-teacher associations in neighboring schools are not equally successful in using fees to raise funds to supplement classroom resources. Inequities also can arise when affluent school districts are able to charge fees and thus spend at above average levels, and widen the gap in available resources with less wealthy districts. In addition, although fee-generated revenues rarely produce large amounts of money compared to other state and local funding sources, they may affect public support for tax levies and bond issues. Opponents say that while a law may waive fees for students who qualify for subsidized meals, fee waivers may separate student based on economic status and leave many students and their parents who are ineligible for fee waivers also unable to pay. Fees may vary widely between school districts.