

1.1 moves to amend H.F. No. 2706 as follows:

1.2 Page 10, after line 27, insert:

1.3 "Sec. 7. Minnesota Statutes 2013 Supplement, section 124D.11, subdivision 4, is
1.4 amended to read:

1.5 Subd. 4. **Building lease aid.** (a) When a charter school finds it economically
1.6 advantageous to rent or lease a building or land for any instructional purposes and it
1.7 determines that the total operating capital revenue under section 126C.10, subdivision 13,
1.8 is insufficient for this purpose, it may apply to the commissioner for building lease aid
1.9 for this purpose. The commissioner must review and either approve or deny a lease aid
1.10 application using the following criteria:

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

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

1.13 (3) the appropriateness of the proposed lease in the context of the space needs and
1.14 financial circumstances of the charter school. The commissioner must approve aid only
1.15 for a facility lease that has (i) a sum certain annual cost and (ii) ~~an escape clause~~ the

1.16 ~~charter school may exercise if its charter contract is terminated or not renewed~~ a closure

1.17 clause that allows the school to be relieved from its lease obligations upon the termination
1.18 or nonrenewal of the charter contract. Nothing in this clause exempts the charter school
1.19 from any lease obligations prior to the effective date of the termination or nonrenewal of
1.20 the charter contract.

1.21 A charter school must not use the building lease aid it receives for custodial, maintenance
1.22 service, utility, or other operating costs.

1.23 (b) The amount of annual building lease aid for a charter school shall not exceed the
1.24 lesser of (1) 90 percent of the approved cost or (2) the product of the pupil units served
1.25 for the current school year times \$1,314."

1.26 Correct the title numbers accordingly