

Minnesota's Public School Fee Law

Minnesota's constitution guarantees a free public education to all eligible students

Minnesota Statutes, sections [123B.34 to 123B.39](#), compose Minnesota's public school fee law. The public school fee law regulates the fees that school districts may and may not charge to students. Underlying the law is [Article XIII, section 1](#), of the Minnesota Constitution, which directs the legislature to establish a general and uniform system of public schools, using taxes or other means, that will provide "a thorough and efficient system of public schools throughout the state." This provision is construed to mean that a public school education is free to all eligible students.

Public school fee law defines prohibited and authorized fees

School 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 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 noncurricular activities, or activities that supplement a class or educational program. School districts deposit the proceeds from extracurricular and noncurricular fees in the "undesignated-unreserved" portion of the district's general fund. [Minnesota Rules, part 3500.1050](#) defines curricular, cocurricular, noncurricular, extracurricular, and supplementary activities for purposes of the public school fee law.

Schools are prohibited from charging fees for necessary goods and services

Minnesota's constitutional guarantee of a free public school education for all eligible students means schools are prohibited from charging fees for necessary goods and services. State statutes define necessary goods and services to include instructional materials and supplies, required library books, required school activities, lockers, graduation caps and gowns, and bus fees to students who live more than two miles from school. However, schools may charge bus fees to students who live within two miles of school and wish to ride the school bus.

School districts may not withhold the grades or diplomas of students who fail to pay fees but may seek court action to collect unpaid fees. It is unclear whether remedial instruction constitutes supplemental education, where a fee is permitted, or core curricula, where a fee is prohibited.

Schools may charge students for certain school-related costs

School districts may require students to pay for certain specified school-related costs including 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, postsecondary instructional programs (e.g., vocational technical training, veteran farmer cooperative training, community education programs, and continuing education and evening school programs) excluding adult basic education programs, and personal stationery supplies.

School districts 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 and for students whose parents serve in or recently served in active military service.

***Student user fees
can generate
revenues, concerns***

Student user fees generate revenue 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 programs and 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. Student participation fees for extracurricular activities, for example, allow a district to generate additional revenue to help offset a budget shortfall in an extracurricular activity or to help pay for new extracurricular activities not funded by the 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. They say that 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; affluent school districts are able to charge fees and thus spend at above-average levels; and fee-generated revenues, which produce relatively small amounts of money as compared to other funding sources, affect public support for tax levies and bond issues. They also say that fee waivers may separate students based on economic status.

For more information: Contact legislative analyst Lisa Larson at 651-296-8036. Also see the House Research publication *Minnesota's Public School Fee Law and Education Tax Credit and Deduction*, November 2008.

The Research Department of the Minnesota House of Representatives is a nonpartisan office providing legislative, legal, and information services to the entire House.