



## Association of Metropolitan School Districts

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# Position on Facilities Funding

**The Association of Metropolitan School Districts urges the Governor and Legislature to remove the per-pupil limit on Long-Term Facilities Maintenance Revenue for all school districts and expand allowable uses to include safety and security modifications and remodeling and additions for instructional purposes. In addition, debt service equalization should be enhanced to ensure taxpayer equity.**

### AMSD BELIEVES

- Locally-elected school boards should have the ability to address the facilities needs of their students and community.
- Property tax levies should be equalized to ensure comparable taxpayer effort.
- Maintaining school facilities protects taxpayer investments.
- All school districts should have the ability to invest in technology to expand learning opportunities for students and ensure they graduate from high school ready for college and career.
- Facilities funding formulas should meet the needs of intermediate, joint powers and cooperative districts.
- School climate and student learning are impacted by the condition of a school building.

### BACKGROUND

In 2015, the legislature established the Long-Term Facilities Maintenance Revenue (LTFMR) program to support the deferred maintenance needs of school districts. LTFMR is financed with an equalized levy. School districts submit a ten-year facilities plan to the MN Department of Education for approval and have authority to bond against future LTFMR. The LTFMR allowance is

capped at \$380 per pupil for most school districts. The per pupil amount would be \$489 in FY 24 if it had kept pace with inflation since 2015. Districts that were previously eligible for the alternative facilities program were grandfathered in and do not have a per pupil cap.

A School Finance Working Group convened by the MN Department of Education in 2019 issued a series of recommendations to improve the financing of school facilities and level the playing field between school districts. The recommendations include: removing the per pupil cap in the LTFMR program for all school districts, expanding LTFM eligibility to include remodeling improvements for safety, security and Pre-K programming, equalizing the lease levy, and enhancing the debt service equalization formula.<sup>1</sup>

While the LTFMR program made significant progress toward addressing the facilities needs of school districts, further improvements are needed. The Governor and Legislature should adopt a schedule to implement the School Finance Working Group's facilities funding recommendations, so all school districts are able to maintain facilities and provide the needed instructional space for pre-K through grade 12 programming in safe and secure learning

### ENDNOTES

<sup>1</sup> [https://education.mn.gov/mdeprod/idcplg?IdcService=GET\\_FILE&dDocName=PROD034265&RevisionSelectionMethod=latestReleased&Rendition=primary](https://education.mn.gov/mdeprod/idcplg?IdcService=GET_FILE&dDocName=PROD034265&RevisionSelectionMethod=latestReleased&Rendition=primary)