

58.21

**ARTICLE 6**

58.22

**CHARTER SCHOOLS**

58.23 Section 1. Minnesota Statutes 2022, section 124E.01, subdivision 1, is amended to read:

58.24 Subdivision 1. **Purposes.** (a) The primary purpose of mission-driven charter schools is to improve all pupil the learning and all student, achievement, and success of all students.

58.26 ~~Additional purposes include to~~ The additional purposes of charter schools are to:

58.27 (1) increase quality learning opportunities for all pupils students;

58.28 (2) encourage the use of different and innovative teaching methods;

58.29 (3) measure learning outcomes and create different and innovative forms of measuring  
58.30 outcomes;

59.1 (4) establish new forms of accountability for schools; or

59.2 (5) create new professional opportunities for teachers, including the opportunity to be  
59.3 responsible for the learning program at the school site.

59.4 (b) A charter school must identify the purposes it will address in the charter contract  
59.5 and document the implementation of those purposes in the school's annual report.

59.6 Documentation of the implementation of those purposes shall be a component of the  
59.7 authorizer's performance review of the school.

59.8 Sec. 2. Minnesota Statutes 2023 Supplement, section 124E.02, is amended to read:

59.9 **124E.02 DEFINITIONS.**

59.10 (a) For purposes of this chapter, the terms defined in this section have the meanings  
59.11 given them.

59.12 (b) "Affidavit" means a written statement the authorizer submits to the commissioner  
59.13 for approval to establish a charter school under section 124E.06, subdivision 4, attesting to  
59.14 its review and approval process before chartering a school.

59.15 (c) "Affiliate" means a person that directly or indirectly, through one or more  
59.16 intermediaries, controls, is controlled by, or is under common control with another person.

59.17 (d) "Charter management organization" or "CMO" means ~~any a nonprofit or for-profit~~  
59.18 ~~entity or organization that contracts with a charter school board of directors to provide,~~  
59.19 ~~manage, or oversee operates or manages a charter school or a network of charter schools~~  
59.20 ~~or can control all or substantially all of a school's education program or a school's~~  
59.21 ~~administrative, financial, business, or operational functions.~~

59.22 (e) "Control" means the ability to affect the management, operations, or policy actions  
59.23 or decisions of a person, whether by owning voting securities, by contract, or otherwise.

49.27

**ARTICLE 5**

49.28

**CHARTER SCHOOLS**

49.29 Section 1. Minnesota Statutes 2022, section 124E.01, subdivision 1, is amended to read:

49.30 Subdivision 1. **Purposes.** The primary purpose of ~~charter~~ mission-driven chartered public  
49.31 schools is to improve ~~all pupil the learning and all student, achievement, and success of all~~  
50.1 ~~students. Additional purposes include to~~ The additional purposes of chartered public schools  
50.2 are to:

50.3 (1) increase quality learning opportunities for all pupils students;

50.4 (2) encourage the use of different and innovative teaching methods;

50.5 (3) measure learning outcomes and create different and innovative forms of measuring  
50.6 outcomes;

50.7 (4) establish new forms of accountability for schools; or

50.8 (5) create new professional opportunities for teachers, including the opportunity to be  
50.9 responsible for the learning program at the school site.

50.10 A chartered public school must identify the purposes it will address in the charter contract  
50.11 and document the implementation of those purposes in the school's annual report.

50.12 Documentation of the implementation of those purposes must be a component of the  
50.13 authorizer's performance review of the school.

50.14 Sec. 2. Minnesota Statutes 2023 Supplement, section 124E.02, is amended to read:

50.15 **124E.02 DEFINITIONS.**

50.16 (a) For purposes of this chapter, the terms defined in this section have the meanings  
50.17 given them.

50.18 (b) "Affidavit" means a written statement the authorizer submits to the commissioner  
50.19 for approval to establish a charter school under section 124E.06, subdivision 4, attesting to  
50.20 its review and approval process before chartering a school.

50.21 (c) "Affiliate" means a person that directly or indirectly, through one or more  
50.22 intermediaries, controls, is controlled by, or is under common control with another person.

50.23 (d) "Charter management organization" or "CMO" means ~~any a nonprofit or for-profit~~  
50.24 ~~entity or organization that contracts with a charter school board of directors to provide,~~  
50.25 ~~manage, or oversee operates or manages a charter school or a network of charter schools~~  
50.26 ~~or can control all or substantially all of a school's education program or a school's~~  
50.27 ~~administrative, financial, business, or operational functions.~~

50.28 (e) "Control" means the ability to affect the management, operations, or policy actions  
50.29 or decisions of a person, whether by owning voting securities, by contract, or otherwise.

59.24 (f) "Educational management organization" or "EMO" means a ~~nonprofit or for-profit~~  
59.25 ~~entity or organization that provides, manages or oversees~~ operates or manages a charter  
59.26 ~~school or a network of charter schools or can control~~ all or substantially all of ~~the~~ a school's  
59.27 education program, or ~~the~~ a school's administrative, financial, business, or operational  
59.28 functions.

59.29 (g) "Immediate family" means ~~an individual whose any~~ relationship by blood, marriage,  
59.30 adoption, or partnership ~~is no more remote than first cousin~~ of spouses, parents, grandparents,  
59.31 ~~siblings, children, first cousins, aunts, uncles, grandchildren, nieces, and nephews.~~

60.1 (h) "Market need and demand study" means a study that includes the following for the  
60.2 proposed locations of the school or additional site:

60.3 (1) current and projected demographic information;

60.4 (2) student enrollment patterns;

60.5 (3) information on existing schools and types of educational programs currently available;

60.6 (4) characteristics of proposed students and families;

60.7 (5) availability of properly zoned and classified facilities; and

60.8 (6) quantification of existing demand for the school or site.

60.9 (i) "Person" means an individual or entity of any kind.

60.10 (j) "Related party" means an affiliate or immediate relative of the other interested party,  
60.11 an affiliate of an immediate relative who is the other interested party, or an immediate  
60.12 relative of an affiliate who is the other interested party.

60.13 (k) For purposes of this chapter, the terms defined in section 120A.05 have the same  
60.14 meanings.

60.15 Sec. 3. Minnesota Statutes 2023 Supplement, section 124E.03, subdivision 2, is amended  
60.16 to read:

60.17 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall  
60.18 meet all federal, state, and local health and safety requirements applicable to school districts.

60.19 (b) A school must comply with statewide accountability requirements governing standards  
60.20 and assessments in chapter 120B.

60.21 (c) A charter school must comply with the Minnesota Public School Fee Law, sections  
60.22 123B.34 to 123B.39.

60.23 (d) A charter school is a district for the purposes of tort liability under chapter 466.

60.24 (e) A charter school must comply with the Pledge of Allegiance requirement under  
60.25 section 121A.11, subdivision 3.

50.30 (f) "Educational management organization" or "EMO" means a ~~nonprofit or for-profit~~  
50.31 ~~entity or organization that provides, manages or oversees~~ operates or manages a charter  
51.1 ~~school or a network of charter schools or can control~~ all or substantially all of ~~the~~ a school's  
51.2 education program, or ~~the~~ a school's administrative, financial, business, or operational  
51.3 functions.

51.4 (g) "Immediate family" means ~~an individual whose a~~ relationship by blood, marriage,  
51.5 adoption, or partnership ~~is no more remote than~~ of spouses, parents, grandparents, siblings,  
51.6 ~~children, aunts, uncles, grandchildren, nieces, nephews, or first cousin~~ cousins.

51.7 (h) "Market need and demand study" means a study that includes the following for the  
51.8 proposed locations of the school or additional site:

51.9 (1) current and projected demographic information;

51.10 (2) student enrollment patterns;

51.11 (3) information on existing schools and types of educational programs currently available;

51.12 (4) characteristics of proposed students and families;

51.13 (5) availability of properly zoned and classified facilities; and

51.14 (6) quantification of existing demand for the school or site.

51.15 (i) "Person" means an individual or entity of any kind.

51.16 (j) "Related party" means an affiliate or immediate relative of the other interested party,  
51.17 an affiliate of an immediate relative who is the other interested party, or an immediate  
51.18 relative of an affiliate who is the other interested party.

51.19 (k) For purposes of this chapter, the terms defined in section 120A.05 have the same  
51.20 meanings.

51.21 Sec. 3. Minnesota Statutes 2023 Supplement, section 124E.03, subdivision 2, is amended  
51.22 to read:

51.23 Subd. 2. **Certain federal, state, and local requirements.** (a) A charter school shall  
51.24 meet all federal, state, and local health and safety requirements applicable to school districts.

51.25 (b) A school must comply with statewide accountability requirements governing standards  
51.26 and assessments in chapter 120B.

51.27 (c) A charter school must comply with the Minnesota Public School Fee Law, sections  
51.28 123B.34 to 123B.39.

51.29 (d) A charter school is a district for the purposes of tort liability under chapter 466.

52.1 (e) A charter school must comply with the Pledge of Allegiance requirement under  
52.2 section 121A.11, subdivision 3.

60.26 (f) A charter school and charter school board of directors must comply with chapter 181  
60.27 governing requirements for employment.

60.28 (g) A charter school must comply with continuing truant notification under section  
60.29 260A.03.

61.1 (h) A charter school must develop and implement a teacher evaluation and peer review  
61.2 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place  
61.3 students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d).  
61.4 The teacher evaluation process in this paragraph does not create any additional employment  
61.5 rights for teachers.

61.6 (i) A charter school must adopt a ~~policy~~, plan, budget, and process, consistent with  
61.7 section 120B.11, to review curriculum, instruction, and student achievement and strive for  
61.8 the world's best workforce.

61.9 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,  
61.10 sections 121A.40 to 121A.56 and 121A.575, 121A.60, 121A.61, and 121A.65.

61.11 Sec. 4. Minnesota Statutes 2022, section 124E.05, subdivision 2, is amended to read:

61.12 Subd. 2. **Roles, responsibilities, and requirements for of authorizers.** ~~The authorizer~~  
61.13 ~~must participate in department approved training.~~ (a) The role of an authorizer is to ensure  
61.14 that any school it authorizes has the autonomy to which the school is entitled, fulfills the  
61.15 purposes of a charter school, and is accountable to the agreed upon terms of the charter  
61.16 school contract in order to safeguard quality educational opportunities for students and  
61.17 maintain public trust and confidence.

61.18 (b) An authorizer has the following responsibilities:

61.19 (1) to review applications for new schools, to make ready-to-open determinations for  
61.20 new schools, to review applications for grade and site expansions, to review applications  
61.21 for change in authorizers, and to determine whether to approve or deny an application based  
61.22 on the authorizer's approved criteria;

61.23 (2) to negotiate and execute the performance charter contracts with the schools it  
61.24 authorizes;

61.25 (3) to conduct ongoing monitoring, oversight, and evaluation of the school's academic,  
61.26 operational, and financial performance during the term of the charter contract;

61.27 (4) to evaluate the academic, operational, and financial performance of the school as  
61.28 defined in the charter contract prior to the end of the contract to determine the renewal,  
61.29 nonrenewal, or termination of the contract; and

61.30 (5) to comply with authorizer requirements in chapter 124E.

61.31 (c) The commissioner shall not require an authorizer to undertake any role or  
61.32 responsibility beyond those in statute or the charter contract, or perform any function that

52.3 (f) A charter school and charter school board of directors must comply with chapter 181  
52.4 governing requirements for employment.

52.5 (g) A charter school must comply with continuing truant notification under section  
52.6 260A.03.

52.7 (h) A charter school must develop and implement a teacher evaluation and peer review  
52.8 process under section 122A.40, subdivision 8, paragraph (b), clauses (2) to (13), and place  
52.9 students in classrooms in accordance with section 122A.40, subdivision 8, paragraph (d).  
52.10 The teacher evaluation process in this paragraph does not create any additional employment  
52.11 rights for teachers.

52.12 (i) A charter school must adopt a ~~policy~~, plan, budget, and process, consistent with  
52.13 section 120B.11, to review curriculum, instruction, and student achievement and strive for  
52.14 the world's best workforce.

52.15 (j) A charter school is subject to and must comply with the Pupil Fair Dismissal Act,  
52.16 sections 121A.40 to 121A.56 and 121A.575, 121A.60, 121A.61, and 121A.65.

52.17 Sec. 4. Minnesota Statutes 2022, section 124E.05, subdivision 2, is amended to read:

52.18 Subd. 2. **Roles, responsibilities, and requirements for of authorizers.** ~~The authorizer~~  
52.19 ~~must participate in department approved training.~~ (a) The role of an authorizer is to ensure  
52.20 that a school it authorizes has the autonomy granted by statute, fulfills the purposes of a  
52.21 chartered public school, and is accountable to the agreed upon terms of the charter school  
52.22 contract in order to safeguard quality educational opportunities for students and maintain  
52.23 public trust and confidence.

52.24 (b) An authorizer has the following responsibilities:

52.25 (1) to review applications for new schools, determine whether a new school is ready to  
52.26 open, review applications for grade and site expansions, review applications for change in  
52.27 authorizers, and determine whether to approve or deny an application based on the  
52.28 authorizer's approved criteria;

52.29 (2) to negotiate and execute the performance charter contracts with the schools it  
52.30 authorizes;

52.31 (3) to conduct ongoing monitoring, oversight, and evaluation of the school's academic,  
52.32 operational, and financial performance during the term of the charter contract;

53.1 (4) to evaluate the academic, operational, and financial performance of the school as  
53.2 defined in the charter contract prior to the end of the contract to determine the renewal,  
53.3 nonrenewal, or termination of the contract; and

53.4 (5) to comply with authorizer requirements in chapter 124E.

62.1 the department or other government agency exercises in relation to a public school, school  
 62.2 board, or school district.

62.3 (d) The authorizer shall document in the authorizer annual report under section 124E.16,  
 62.4 subdivision 2, paragraph (b), the annual successful completion of training of its staff members  
 62.5 during the previous year relative to chartering and an authorizer's role and responsibilities.

62.6 (e) The authorizer must participate in department-approved training.

62.7 Sec. 5. Minnesota Statutes 2022, section 124E.05, subdivision 3, is amended to read:

62.8 Subd. 3. **Application process.** (a) An eligible authorizer organization under this section  
 62.9 must apply to the commissioner for approval as an authorizer before submitting any affidavit  
 62.10 to the commissioner to charter a school. The application for approval as a charter school  
 62.11 authorizer must show the applicant's ability to implement the procedures and satisfy the  
 62.12 criteria for chartering a school under this chapter. The commissioner must approve or  
 62.13 disapprove the application within 45 business days of the deadline for that application  
 62.14 period. If the commissioner disapproves the application, the commissioner must notify the  
 62.15 applicant of the specific deficiencies in writing and the applicant then has 20 business days  
 62.16 to address the deficiencies to the commissioner's satisfaction. After the 20 business days  
 62.17 expire, the commissioner has 15 business days to make a final decision to approve or  
 62.18 disapprove the application. Failing to address the deficiencies to the commissioner's  
 62.19 satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in  
 62.20 establishing criteria to approve an authorizer, consistent with subdivision 4, must consider  
 62.21 the applicant's:

62.22 (1) infrastructure and capacity to serve as an authorizer;  
 62.23 (2) application criteria and process;  
 62.24 (3) contracting process;  
 62.25 (4) ongoing oversight and evaluation processes; and  
 62.26 (5) renewal criteria and processes.

62.27 (b) A disapproved applicant under this section may resubmit an application during a  
 62.28 future application period.

62.29 Sec. 6. Minnesota Statutes 2022, section 124E.05, subdivision 5, is amended to read:

62.30 Subd. 5. **Review by commissioner.** (a) The commissioner shall review an authorizer's  
 62.31 performance every five years in a manner and form determined by the commissioner, subject  
 63.1 to paragraphs (b) and (c), and may review an authorizer's performance more frequently at  
 63.2 the commissioner's own initiative or at the request of a charter school operator chief  
 63.3 administrator, charter school board member of directors, or other interested party. The  
 63.4 commissioner, after completing the review, shall transmit a report with findings to the  
 63.5 authorizer and the schools authorized by the authorizer.

53.5 (c) An authorizer must document in the authorizer annual report under section 124E.16,  
 53.6 subdivision 2, paragraph (b), the annual successful completion of training of its staff members  
 53.7 during the previous year relative to chartering and an authorizer's role and responsibilities.

53.8 (d) An authorizer must participate in department-approved training.

53.9 Sec. 5. Minnesota Statutes 2022, section 124E.05, subdivision 3, is amended to read:

53.10 Subd. 3. **Application process.** (a) An eligible authorizer organization under this section  
 53.11 must apply to the commissioner for approval as an authorizer before submitting any affidavit  
 53.12 to the commissioner to charter a school. The application for approval as a charter school  
 53.13 authorizer must show the applicant's ability to implement the procedures and satisfy the  
 53.14 criteria for chartering a school under this chapter. The commissioner must approve or  
 53.15 disapprove the application within 45 business days of the deadline for that application  
 53.16 period. If the commissioner disapproves the application, the commissioner must notify the  
 53.17 applicant of the specific deficiencies in writing and the applicant then has 20 business days  
 53.18 to address the deficiencies to the commissioner's satisfaction. After the 20 business days  
 53.19 expire, the commissioner has 15 business days to make a final decision to approve or  
 53.20 disapprove the application. Failing to address the deficiencies to the commissioner's  
 53.21 satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in  
 53.22 establishing criteria to approve an authorizer, consistent with subdivision 4, must consider  
 53.23 the applicant's:

53.24 (1) infrastructure and capacity to serve as an authorizer;  
 53.25 (2) application criteria and process;  
 53.26 (3) contracting process;  
 53.27 (4) ongoing oversight and evaluation processes; and  
 53.28 (5) renewal criteria and processes.

53.29 (b) A disapproved applicant under this section may resubmit an application during a  
 53.30 future application period.

54.1 Sec. 6. Minnesota Statutes 2022, section 124E.05, subdivision 5, is amended to read:

54.2 Subd. 5. **Review by commissioner.** (a) The commissioner shall review an authorizer's  
 54.3 performance every five years in a manner and form determined by the commissioner, subject  
 54.4 to paragraphs (b) and (c), and may review an authorizer's performance more frequently at  
 54.5 the commissioner's own initiative or at the request of a charter school operator chief  
 54.6 administrator, charter school board member of directors, or other interested party. The  
 54.7 commissioner, after completing the review, shall transmit a report with findings to the  
 54.8 authorizer and the schools authorized by the authorizer.

- 63.6 (b) Consistent with this subdivision, the commissioner must:
- 63.7 ~~(1) use criteria appropriate to the authorizer and the schools it charters to review the~~  
63.8 ~~authorizer's performance; and~~
- 63.9 ~~(2) consult with authorizers, charter school operators, and other charter school~~  
63.10 ~~stakeholders in developing review criteria under this paragraph.~~
- 63.11 ~~(c) The commissioner's form must use existing department data on the authorizer to~~  
63.12 ~~minimize duplicate reporting to the extent practicable. When reviewing an authorizer's~~  
63.13 ~~performance under this subdivision, the commissioner must not:~~
- 63.14 ~~(1) fail to credit;~~
- 63.15 ~~(2) withhold points; or~~
- 63.16 ~~(3) otherwise penalize an authorizer for failing to charter additional schools or for the~~  
63.17 ~~absence of complaints against the authorizer's current portfolio of charter schools.~~
- 63.18 (1) develop the criteria and process of the performance review system in consultation  
63.19 with authorizers, school administrators, charter school boards of directors, and other charter  
63.20 school stakeholders;
- 63.21 (2) notwithstanding any updates to comply with state or federal law or to make technical  
63.22 corrections, publish the authorizer performance review criteria and process at least 12 months  
63.23 before any change or process takes effect;
- 63.24 (3) base the performance review system on the authorizer's role and responsibilities in  
63.25 sections 124E.05, subdivision 2, and 124E.10;
- 63.26 (4) evaluate the authorizer's performance on adherence and implementation of the  
63.27 authorizer's approved policies, procedures, and processes that are subject to section 124E.05,  
63.28 subdivision 5, paragraph (b); and
- 63.29 (5) include input from the authorizer, charter school administrators, and charter school  
63.30 boards of directors.
- 63.31 (c) The commissioner's form must use existing department data on the authorizer to  
63.32 minimize duplicate reporting to the extent practicable.
- 64.1 (d) Consistent with this subdivision the commissioner must not:
- 64.2 (1) penalize in any way an authorizer for not chartering additional schools or the absence  
64.3 of complaints against an authorizer or an authorizer's portfolio of schools; or
- 64.4 (2) penalize an authorizer for not undertaking any role or responsibilities beyond those  
64.5 defined in the authorizer's approved policies, procedures or processes, the charter contract,  
64.6 or this section.

- 54.9 (b) Consistent with this subdivision, the commissioner must:
- 54.10 ~~(1) use criteria appropriate to the authorizer and the schools it charters to review the~~  
54.11 ~~authorizer's performance; and~~
- 54.12 ~~(2) consult with authorizers, charter school operators, and other charter school~~  
54.13 ~~stakeholders in developing review criteria under this paragraph.~~
- 54.14 ~~(c) The commissioner's form must use existing department data on the authorizer to~~  
54.15 ~~minimize duplicate reporting to the extent practicable. When reviewing an authorizer's~~  
54.16 ~~performance under this subdivision, the commissioner must not:~~
- 54.17 ~~(1) fail to credit;~~
- 54.18 ~~(2) withhold points; or~~
- 54.19 ~~(3) otherwise penalize an authorizer for failing to charter additional schools or for the~~  
54.20 ~~absence of complaints against the authorizer's current portfolio of charter schools.~~
- 54.21 (1) develop the criteria and process of the performance review system in consultation  
54.22 with authorizers, school administrators, charter school boards of directors, and other charter  
54.23 school stakeholders;
- 54.24 (2) publish the authorizer performance review criteria and process at least 12 months  
54.25 before any change or process takes effect, except for changes required to take effect earlier  
54.26 in accordance with state or federal law;
- 54.27 (3) evaluate the authorizer's performance on adherence and implementation of the  
54.28 authorizer's policies, procedures, and processes that are subject to section 124E.05,  
54.29 subdivision 2, paragraph (b);
- 54.30 (4) solicit feedback from the authorizer, charter school administrators, and charter school  
54.31 boards of directors; and
- 55.1 (5) use existing department data on the authorizer to minimize duplicate reporting to the  
55.2 extent practicable.
- 55.3 (c) Consistent with this subdivision the commissioner must not penalize in any way an  
55.4 authorizer for not chartering additional schools or for the absence of complaints against an  
55.5 authorizer or an authorizer's portfolio of schools.

64.7 Sec. 7. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 1, is amended  
64.8 to read:

64.9 Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an  
64.10 application from a charter school developer, may charter either a licensed teacher under  
64.11 section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed  
64.12 teachers under section 122A.18, subdivision 1, to operate a school subject to the  
64.13 commissioner's approval of the authorizer's affidavit under subdivision 4.

64.14 (b) "Application" under this section means the charter school business plan a charter  
64.15 school developer submits to an authorizer for approval to establish a charter school. This  
64.16 application must include:

64.17 (1) the proposed school's:

64.18 (i) mission and vision statements;

64.19 (ii) purposes and goals;

64.20 (iii) educational program design and how the program will improve student learning,  
64.21 success, and achievement;

64.22 (iv) plan to address the social and emotional learning needs of students and student  
64.23 support services;

64.24 (v) plan to provide special education management and services;

64.25 (vi) plan for staffing the school with appropriately qualified and licensed personnel;

64.26 (vii) financial plan;

64.27 (viii) governance and management structure and plan;

64.28 (ix) market need and demand study; and

65.1 (x) plan for ongoing outreach and dissemination of information about the school's  
65.2 offerings and enrollment procedure to families that reflect the diversity of Minnesota's  
65.3 population and targeted groups under section 124E.17, subdivision 1, paragraph (a);

65.4 (2) the school developer's experience and background, including criminal history and  
65.5 bankruptcy background checks; and

65.6 (3) any other information the authorizer requests; ~~and.~~

65.7 ~~(4) a "statement of assurances" of legal compliance prescribed by the commissioner.~~

65.8 (c) An authorizer shall not approve an application submitted by a charter school developer  
65.9 under paragraph (a) if the application does not comply with subdivision 3, paragraph (e),  
65.10 and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit  
65.11 submitted by an authorizer under subdivision 4 if the affidavit does not comply with  
65.12 subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

55.6 Sec. 7. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 1, is amended  
55.7 to read:

55.8 Subdivision 1. **Individuals eligible to organize.** (a) An authorizer, after receiving an  
55.9 application from a charter school developer, may charter either a licensed teacher under  
55.10 section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed  
55.11 teachers under section 122A.18, subdivision 1, to operate a school subject to the  
55.12 commissioner's approval of the authorizer's affidavit under subdivision 4.

55.13 (b) "Application" under this section means the charter school business plan a charter  
55.14 school developer submits to an authorizer for approval to establish a charter school. This  
55.15 application must include:

55.16 (1) the proposed school's:

55.17 (i) mission and vision statements;

55.18 (ii) purposes and goals;

55.19 (iii) educational program design and how the program will improve student learning,  
55.20 success, and achievement;

55.21 (iv) plan to address the social and emotional learning needs of students and student  
55.22 support services;

55.23 (v) plan to provide special education management and services;

55.24 (vi) plan for staffing the school with appropriately qualified and licensed personnel;

55.25 (vii) financial plan;

55.26 (viii) governance and management structure and plan;

55.27 (ix) market need and demand study; and

55.28 (x) plan for ongoing outreach and dissemination of information about the school's  
55.29 offerings and enrollment procedure to families that reflect the diversity of Minnesota's  
55.30 population and targeted groups under section 124E.17, subdivision 1, paragraph (a);

56.1 (2) the school developer's experience and background, including criminal history and  
56.2 bankruptcy background checks; and

56.3 (3) any other information the authorizer requests; ~~and.~~

56.4 ~~(4) a "statement of assurances" of legal compliance prescribed by the commissioner.~~

56.5 (c) An authorizer shall not approve an application submitted by a charter school developer  
56.6 under paragraph (a) if the application does not comply with subdivision 3, paragraph (e),  
56.7 and section 124E.01, subdivision 1. The commissioner shall not approve an affidavit  
56.8 submitted by an authorizer under subdivision 4 if the affidavit does not comply with  
56.9 subdivision 3, paragraph (e), and section 124E.01, subdivision 1.

65.13 Sec. 8. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 4, is amended  
65.14 to read:

65.15 Subd. 4. **Authorizer's affidavit; approval process.** (a) Before an operator may establish  
65.16 and operate a school, the authorizer must file an affidavit with the commissioner stating its  
65.17 intent to charter a school. An authorizer must file a separate affidavit for each school it  
65.18 intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of  
65.19 the year the new charter school plans to serve students. The affidavit must state:

65.20 ~~(+)~~ the terms and conditions under which the authorizer would charter a school, including  
65.21 a market need and demand study; ~~and,~~

65.22 ~~(2) how the authorizer intends to oversee:~~

65.23 ~~(i) the fiscal and student performance of the charter school; and~~

65.24 ~~(ii) compliance with the terms of the written contract between the authorizer and the~~  
65.25 ~~charter school board of directors under section 124E.10, subdivision 1.~~

65.26 (b) The commissioner must approve or disapprove the authorizer's affidavit within 60  
65.27 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the  
65.28 commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer  
65.29 then has 20 business days to address the deficiencies. The commissioner must notify the  
65.30 authorizer of the commissioner's final approval or final disapproval within 15 business days  
65.31 after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer  
65.32 does not address deficiencies to the commissioner's satisfaction, the commissioner's  
66.1 disapproval is final. An authorizer who fails to obtain the commissioner's approval is  
66.2 precluded from chartering the school that is the subject of this affidavit.

66.3 (c) The grades and number of primary enrollment sites in an approved affidavit may  
66.4 only be modified under subdivision 5.

66.5 Sec. 9. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 5, is amended  
66.6 to read:

66.7 Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to  
66.8 amend the school charter to add grades or primary enrollment sites beyond those defined  
66.9 in the original affidavit approved by the commissioner. After approving the school's  
66.10 application, the authorizer shall submit a supplemental affidavit in the form and manner  
66.11 prescribed by the commissioner. The authorizer must file a supplemental affidavit to the  
66.12 commissioner by October 1 to be eligible to add grades or sites in the next school year. The  
66.13 supplemental affidavit must document ~~to the authorizer's satisfaction:~~

66.14 ~~(1) the need for the additional grades or sites with supporting long-range enrollment~~  
66.15 ~~projections for site expansion, a market need and demand study with long-range enrollment~~  
66.16 ~~projections;~~

56.10 Sec. 8. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 4, is amended  
56.11 to read:

56.12 Subd. 4. **Authorizer's affidavit; approval process.** (a) Before an operator may establish  
56.13 and operate a school, the authorizer must file an affidavit with the commissioner stating its  
56.14 intent to charter a school. An authorizer must file a separate affidavit for each school it  
56.15 intends to charter. An authorizer must file an affidavit at least 14 months before July 1 of  
56.16 the year the new charter school plans to serve students. The affidavit must state:

56.17 ~~(+)~~ the terms and conditions under which the authorizer would charter a school, including  
56.18 a market need and demand study; ~~and,~~

56.19 ~~(2) how the authorizer intends to oversee:~~

56.20 ~~(i) the fiscal and student performance of the charter school; and~~

56.21 ~~(ii) compliance with the terms of the written contract between the authorizer and the~~  
56.22 ~~charter school board of directors under section 124E.10, subdivision 1.~~

56.23 (b) The commissioner must approve or disapprove the authorizer's affidavit within 60  
56.24 business days of receiving the affidavit. If the commissioner disapproves the affidavit, the  
56.25 commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer  
56.26 then has 20 business days to address the deficiencies. The commissioner must notify the  
56.27 authorizer of the commissioner's final approval or final disapproval within 15 business days  
56.28 after receiving the authorizer's response to the deficiencies in the affidavit. If the authorizer  
56.29 does not address deficiencies to the commissioner's satisfaction, the commissioner's  
56.30 disapproval is final. An authorizer who fails to obtain the commissioner's approval is  
56.31 precluded from chartering the school that is the subject of this affidavit.

57.1 (c) The grades and number of primary enrollment sites in an approved affidavit may  
57.2 only be modified under subdivision 5.

57.3 Sec. 9. Minnesota Statutes 2023 Supplement, section 124E.06, subdivision 5, is amended  
57.4 to read:

57.5 Subd. 5. **Adding grades or sites.** (a) A charter school may apply to the authorizer to  
57.6 amend the school charter to add grades or primary enrollment sites beyond those defined  
57.7 in the original affidavit approved by the commissioner. After approving the school's  
57.8 application, the authorizer shall submit a supplemental affidavit in the form and manner  
57.9 prescribed by the commissioner. The authorizer must file a supplemental affidavit to the  
57.10 commissioner by October 1 to be eligible to add grades or sites in the next school year. The  
57.11 supplemental affidavit must document ~~to the authorizer's satisfaction:~~

57.12 ~~(1) the need for the additional grades or sites with supporting long-range enrollment~~  
57.13 ~~projections for site expansion, a market need and demand study with long-range enrollment~~  
57.14 ~~projections;~~

66.17 ~~(2) a longitudinal record of student academic performance and growth on statewide~~  
 66.18 ~~assessments under chapter 120B or on other academic assessments that measure longitudinal~~  
 66.19 ~~student performance and growth approved by the charter school's board of directors and~~  
 66.20 ~~agreed upon with the authorizer for grade expansion, the need for the additional grades with~~  
 66.21 ~~supporting long-range enrollment projections;~~

66.22 ~~(3) a history of sound school finances and a plan to add grades or sites that sustains the~~  
 66.23 ~~school's finances a longitudinal record of at least three years of student academic proficiency~~  
 66.24 ~~and growth on statewide assessments under chapter 120B or on other academic assessments~~  
 66.25 ~~that measure for at least three years longitudinal student proficiency and growth approved~~  
 66.26 ~~by the charter school's board of directors and agreed upon with the authorizer;~~

66.27 ~~(4) board capacity to administer and manage the additional grades or sites at least three~~  
 66.28 ~~years of sound school finances and a plan to add grades or sites that sustains the school's~~  
 66.29 ~~finances; and~~

66.30 ~~(5) for site expansion, a market need and demand study board capacity to administer~~  
 66.31 ~~and manage the additional grades or sites.~~

66.32 (b) The commissioner shall have 30 business days to review and comment on the  
 66.33 supplemental affidavit. The commissioner shall notify the authorizer in writing of any  
 67.1 deficiencies in the supplemental affidavit and the authorizer then has 20 business days to  
 67.2 address any deficiencies in the supplemental affidavit to the commissioner's satisfaction.  
 67.3 The commissioner must notify the authorizer of final approval or final disapproval within  
 67.4 15 business days after receiving the authorizer's response to the deficiencies in the affidavit.  
 67.5 The school may not add grades or sites until the commissioner has approved the supplemental  
 67.6 affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

67.7 Sec. 10. Minnesota Statutes 2022, section 124E.07, is amended to read:

67.8 **124E.07 BOARD OF DIRECTORS.**

67.9 Subdivision 1. **Initial board of directors.** Before entering into a contract or other  
 67.10 agreement for professional or other services, goods, or facilities, the operators authorized  
 67.11 to organize and operate a school must establish a board of directors composed of at least  
 67.12 five members ~~who are not related parties.~~ The initial board members must not be related  
 67.13 parties. The initial board continues to serve until a timely election for members of the  
 67.14 ongoing charter school board of directors is held according to the school's articles and  
 67.15 bylaws under subdivision 4. The initial board of directors and school developers must  
 67.16 comply with the training requirements in subdivision 7 upon the incorporation of the school.

67.17 Subd. 2. **Ongoing board of directors.** ~~The ongoing board must be elected before the~~  
 67.18 ~~school completes its third year of operation. The board must begin the transition to the~~  
 67.19 ~~ongoing board structure by the end of the first year of operation and complete the transition~~  
 67.20 ~~by the end of the second year of operation. The terms of board members shall begin on July~~  
 67.21 1. Terms shall be no less than two years. The bylaws shall set the number of terms an

57.15 (2) a longitudinal record of student academic performance and growth on statewide  
 57.16 assessments under chapter 120B or on other academic assessments that measure longitudinal  
 57.17 student performance and growth approved by the charter school's board of directors and  
 57.18 agreed upon with the authorizer for grade expansion, the need for the additional grades with  
 57.19 supporting long-range enrollment projections;

57.20 (3) a history of sound school finances and a plan to add grades or sites that sustains the  
 57.21 school's finances a longitudinal record of at least the three most recent years of student  
 57.22 academic proficiency and growth on statewide assessments under chapter 120B or on other  
 57.23 academic assessments that measure at least the three most recent years of longitudinal  
 57.24 student proficiency and growth approved by the charter school's board of directors and  
 57.25 agreed upon with the authorizer;

57.26 (4) board capacity to administer and manage the additional grades or sites at least three  
 57.27 years of sound school finances and a plan to add grades or sites that sustains the school's  
 57.28 finances; and

57.29 (5) for site expansion, a market need and demand study board capacity to administer  
 57.30 and manage the additional grades or sites.

57.31 (b) The commissioner shall have 30 business days to review and comment on the  
 57.32 supplemental affidavit. The commissioner shall notify the authorizer in writing of any  
 57.33 deficiencies in the supplemental affidavit and the authorizer then has 20 business days to  
 58.1 address any deficiencies in the supplemental affidavit to the commissioner's satisfaction.  
 58.2 The commissioner must notify the authorizer of final approval or final disapproval within  
 58.3 15 business days after receiving the authorizer's response to the deficiencies in the affidavit.  
 58.4 The school may not add grades or sites until the commissioner has approved the supplemental  
 58.5 affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

58.6 Sec. 10. Minnesota Statutes 2022, section 124E.07, is amended to read:

58.7 **124E.07 BOARD OF DIRECTORS.**

58.8 Subdivision 1. **Initial board of directors.** Before entering into a contract or other  
 58.9 agreement for professional or other services, goods, or facilities, the operators authorized  
 58.10 to organize and operate a school must establish a board of directors composed of at least  
 58.11 five members ~~who are not related parties.~~ The initial board members must not be related  
 58.12 parties. The initial board continues to serve until a timely election for members of the  
 58.13 ongoing charter school board of directors is held according to the school's articles and  
 58.14 bylaws under subdivision 4. The initial board of directors and school developers must  
 58.15 comply with the training requirements in subdivision 7 upon the incorporation of the school.

58.16 Subd. 2. **Ongoing board of directors.** ~~The ongoing board must be elected before the~~  
 58.17 ~~school completes its third year of operation. The initial board must begin the transition to the~~  
 58.18 ~~ongoing board structure by the end of the first year of operation and complete the~~  
 58.19 ~~transition by the end of the second year of operation. The terms of board members shall~~  
 58.20 begin on July 1. Terms shall be no less than two years. The bylaws shall set the number of



67.22 individual may serve on the board and as an officer of the board. Board elections must be  
67.23 held during the school year but may not be conducted on days when the school is closed.

67.24 Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall  
67.25 have at least five ~~nonrelated members and include~~. The board members must not be related  
67.26 parties. The ongoing board shall include:

68.6 (2) at least one parent or legal guardian of a student enrolled in the charter school, ~~who~~  
68.7 ~~is not~~ A parent or guardian who serves on the charter board must not be an employee of the  
68.8 charter school; and

68.9 (3) at least one interested community member, ~~who resides in Minnesota, is not employed~~  
68.10 ~~by the charter~~ An interested community member who serves on the charter school board  
68.11 must reside in Minnesota, cannot be employed by the charter school, and must not have a  
68.12 child enrolled in the charter school school, and does not have a child enrolled in the school.

67.27 (1) at least one licensed teacher who is employed as a teacher at the school or provides  
67.28 instruction under contract between the charter school and a cooperative of record under  
67.29 Minnesota Rules, part 8710.0310. A licensed teacher who serves on a charter school board  
67.30 is an individual who holds a valid teaching license issued by the Professional Educator  
67.31 Licensing and Standards Board (PELSB), is employed by the school or contracted between  
67.32 the charter school or a teacher cooperative for at least 720 hours in a school calendar year,  
67.33 serves as a teacher of record, and provides instruction to students in the areas for which  
67.34 they are approved by PELSB; or a PELSB licensed school psychologist, social worker,  
68.1 librarian, pathologist, nurse, counselor, or other school professional under Minnesota Rules,  
68.2 parts 8710.5900 to 8710.6400, who provides the services for students for which they are  
68.3 licensed. A board member eligible under this clause does not include any individual who  
68.4 serves the charter school in an administrative or supervisory capacity for more than 240  
68.5 hours in a school calendar year;

NOTE: COMPARE SENATE LINES 67.24-67.28 TO HOUSE LINES 58.24-58.27;  
SENATE LINES 67.29-68.5 TO HOUSE LINES 58.34-59.7; SENATE LINES  
68.6-68.8 TO HOUSE LINES 58.28-58.29; AND SENATE LINES 68.9-68.12 TO  
HOUSE LINES 58.30-58.33.

68.13 The board structure must be defined in the bylaws. The board structure may ~~include (i) be~~  
68.14 a majority of teachers under this paragraph ~~or, (ii) be a majority of parents or, (iii) be a~~  
68.15 majority of community members, or ~~it may (iv) have no clear majority.~~ The chief financial  
68.16 officer ~~and the chief administrator may only serve as an ex-officio nonvoting board members~~  
68.17 member. No charter school employees shall serve on the board other than teachers under  
68.18 clause (1). Contractors providing facilities, goods, or services to a charter school shall not  
68.19 serve on the board of directors of the charter school.

68.20 (b) An individual is prohibited from serving as a member of the charter school board of  
68.21 directors if: (1) the individual, an immediate family member, or the individual's partner is

58.21 terms an individual may serve on the board and as an officer of the board. Board elections  
58.22 must be held during the school year but may not be conducted on days when the school is  
58.23 closed.

58.24 Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall  
58.25 have at least five ~~nonrelated members and include~~. The board members must not be related  
58.26 parties. The ongoing board must include: (1) at least one licensed teacher who is employed  
58.27 as a teacher at the school or provides instruction under contract between the charter school  
58.28 and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the charter  
58.29 school who is not an employee of the charter school; and (3) at least one interested  
58.30 community member who resides in Minnesota, is not employed by the charter school, and  
58.31 does not have a child enrolled in the school. A community member serving on the board  
58.32 must reside in Minnesota, must not have a child enrolled in the school, and must not be an  
58.33 employee of the charter school.

58.34 (b) To serve as a licensed teacher on a charter school board, an individual must:

59.1 (1) be employed by the school or provide at least 720 hours of service under a contract  
59.2 between the charter school and a teacher cooperative;

59.3 (2) be a qualified teacher as defined under section 122A.16, either serving as a teacher  
59.4 of record in a field in which the individual has a field license, or providing services to  
59.5 students the individual is licensed to provide; and

59.6 (3) not serve in an administrative or supervisory capacity for more than 240 hours in a  
59.7 school calendar year.

NOTE: COMPARE SENATE LINES 67.24-67.28 TO HOUSE LINES 58.24-58.27;  
SENATE LINES 67.29-68.5 TO HOUSE LINES 58.34-59.7; SENATE LINES  
68.6-68.8 TO HOUSE LINES 58.28-58.29; AND SENATE LINES 68.9-68.12 TO  
HOUSE LINES 58.30-58.33.

59.8 (c) The board structure must be defined in the bylaws. The board structure may ~~include~~  
59.9 (1) be a majority of teachers under this paragraph ~~or (b), (2) be a majority of parents or, (3)~~  
59.10 be a majority of community members, or ~~it may (4) have no clear majority.~~

59.11 (d) The chief financial officer ~~and the chief administrator may only serve as an ex-officio~~  
59.12 nonvoting board members member. No charter school employees shall serve on the board  
59.13 other than teachers under ~~clause (1) paragraph (b). Contractors providing facilities, goods,~~  
59.14 ~~or services to a charter school shall not serve on the board of directors of the charter school.~~

68.22 a full or part owner or principal with a for-profit or nonprofit entity or independent contractor  
 68.23 with whom the charter school contracts, directly or indirectly, for professional services,  
 68.24 goods, or facilities; or (2) an immediate family member is an employee of the school. An  
 68.25 individual may serve as a member of the board of directors if no conflict of interest exists  
 68.26 under this paragraph, consistent with this section. An individual is prohibited from serving  
 68.27 on more than one charter school board at the same time in either an elected or ex-officio  
 68.28 capacity.

68.29 (c) A violation of paragraph (b) renders a contract voidable at the option of the  
 68.30 commissioner or the charter school board of directors. A member of a charter school board  
 68.31 of directors who violates paragraph (b) is individually liable to the charter school for any  
 68.32 damage caused by the violation.

68.33 (d) Any employee, agent, contractor, or board member of the authorizer who participates  
 68.34 in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the  
 69.1 charter school is ineligible to serve on the board of directors of a school chartered by that  
 69.2 authorizer.

69.3 (e) A charter school must disclose to the commissioner and its authorizer if a board  
 69.4 member, including an ex-officio nonvoting board member, is serving on multiple charter  
 69.5 school boards or committees of other charter school boards. The board member has an  
 69.6 affirmative duty to inform each school board of every school board where the board member  
 69.7 is a director or ex-officio member.

69.8 Subd. 4. **Board structure.** Board bylaws shall outline the process and procedures for  
 69.9 changing the board's governance structure, consistent with chapter 317A. A board may  
 69.10 change its governance structure only:

69.11 (1) by a majority vote of the board of directors ~~and a majority vote of the licensed teachers~~  
 69.12 ~~employed by the school as teachers, including licensed teachers providing instruction under~~  
 69.13 ~~a contract between the school and a cooperative; and~~

69.14 (2) by a majority vote of the licensed teachers employed by the school as teachers who  
 69.15 provide instruction to students, including licensed teachers providing instruction under a  
 69.16 contract between the school and a cooperative; and

69.17 ~~(2)~~ (3) with the authorizer's approval.

69.18 Any change in board governance structure must conform with the board composition  
 69.19 established under this section.

69.20 Subd. 5. ~~Eligible voters~~ **Board elections.** (a) Staff members employed at the school,  
 69.21 including teachers providing instruction under a contract with a cooperative, members of

59.15 ~~(b)~~ (e) A contractor providing facilities, goods, or services to a charter school must not  
 59.16 serve on the board of directors. In addition, an individual is prohibited from serving as a  
 59.17 member of the charter school board of directors if: (1) the individual, an immediate family  
 59.18 member, or the individual's partner is a full or part owner or principal with a for-profit or  
 59.19 nonprofit entity or independent contractor with whom the charter school contracts, directly  
 59.20 or indirectly, for professional services, goods, or facilities; or (2) an immediate family  
 59.21 member is an employee of the school. An individual may serve as a member of the board  
 59.22 of directors if no conflict of interest exists under this paragraph, consistent with this section.

59.31 (h) An individual is prohibited from serving on more than one charter school board at  
 59.32 the same time in either an elected or ex-officio capacity.

59.23 ~~(e)~~ (f) A violation of paragraph ~~(b)~~ (e) renders a contract voidable at the option of the  
 59.24 commissioner or the charter school board of directors. A member of a charter school board  
 59.25 of directors who violates paragraph ~~(b)~~ (e) is individually liable to the charter school for  
 59.26 any damage caused by the violation.

59.27 ~~(d)~~ (g) Any employee, agent, contractor, or board member of the authorizer who  
 59.28 participates in initially reviewing, approving, overseeing, evaluating, renewing, or not  
 59.29 renewing the charter school is ineligible to serve on the board of directors of a school  
 59.30 chartered by that authorizer.

60.1 Subd. 4. **Board structure.** Board bylaws shall outline the process and procedures for  
 60.2 changing the board's governance structure, consistent with chapter 317A. A board may  
 60.3 change its governance structure only:

60.4 (1) by a majority vote of the board of directors ~~and a majority vote of the licensed teachers~~  
 60.5 ~~employed by the school as teachers, including licensed teachers providing instruction under~~  
 60.6 ~~a contract between the school and a cooperative; and~~

60.7 (2) by a majority vote of the licensed teachers employed by the school as teachers who  
 60.8 provide instruction to students, including licensed teachers providing instruction under a  
 60.9 contract between the school and a cooperative; and

60.10 ~~(2)~~ (3) with the authorizer's approval.

60.11 Any change in board governance structure must conform with the board composition  
 60.12 established under this section.

60.13 Subd. 5. ~~Eligible voters~~ **Board elections.** (a) Staff members employed at the school,  
 60.14 including teachers providing instruction under a contract with a cooperative, members of

69.22 the board of directors, and all parents or legal guardians of children enrolled in the school  
 69.23 are the voters eligible to elect the members of the school's board of directors. ~~A charter~~  
 69.24 ~~school must notify eligible voters of the school board election dates at least 30 days before~~  
 69.25 ~~the election.~~

69.26 (b) The board of directors must establish and publish election policies and procedures  
 69.27 on the school's website.

69.28 (c) The board of directors must notify eligible voters of the school board election dates  
 69.29 and voting procedures at least 30 calendar days before the election and post this information  
 69.30 on the school's website.

69.31 (d) The board of directors must notify eligible voters of the candidates' names,  
 69.32 biographies, and candidate statements at least ten calendar days before the election and post  
 69.33 this information on the school's website.

70.1 Subd. 6. **Duties.** (a) The board of directors also shall decide and is responsible for all  
 70.2 decision making on policy matters related to operating the school, including budgeting,  
 70.3 curriculum programming, personnel, and operating procedures. ~~The board shall adopt a~~  
 70.4 ~~nepotism policy.~~ The board shall must adopt personnel evaluation policies and practices  
 70.5 that, at a minimum:

70.6 (1) carry out the school's mission and goals;

70.7 (2) evaluate how charter contract goals and commitments are executed;

70.8 (3) evaluate student achievement, postsecondary and workforce readiness, and student  
 70.9 engagement and connection goals;

70.10 (4) establish a teacher evaluation process under section 124E.03, subdivision 2, paragraph  
 70.11 (h); and

70.12 (5) provide professional development related to the individual's job responsibilities.

70.13 (b) The board must adopt a nepotism policy that prohibits the employment of immediate  
 70.14 family members of a board member, a school employee, or a teacher who provides instruction  
 70.15 under a contract between the charter school and a cooperative. The board may waive this  
 70.16 policy if: (1) the position is publicly posted for 20 business days; and (2) a two-thirds  
 70.17 majority of the remaining board of directors vote to approve the hiring. A board member,  
 70.18 school employee, or teacher under contract with a cooperative must not be involved in an  
 70.19 interview, selection process, hiring, supervision, or evaluation of an employee who is an  
 70.20 immediate family member.

70.21 Subd. 7. **Training.** ~~Every charter school board member shall attend annual training~~  
 70.22 ~~throughout the member's term. All new board members shall attend initial training on the~~  
 70.23 ~~board's role and responsibilities, employment policies and practices, and financial~~  
 70.24 ~~management. A new board member who does not begin the required initial training within~~  
 70.25 ~~six months after being seated and complete that training within 12 months after being seated~~

60.15 the board of directors, and all parents or legal guardians of children enrolled in the school  
 60.16 are the voters eligible to elect the members of the school's board of directors. ~~A charter~~  
 60.17 ~~school must notify eligible voters of the school board election dates at least 30 days before~~  
 60.18 ~~the election.~~

60.19 (b) The board of directors must establish and publish election policies and procedures  
 60.20 on the school's website.

60.21 (c) The board of directors must notify eligible voters of the school board election dates  
 60.22 and voting procedures at least 30 calendar days before the election and post this information  
 60.23 on the school's website.

60.24 (d) The board of directors must notify eligible voters of the candidates' names,  
 60.25 biographies, and candidate statements at least ten calendar days before the election and post  
 60.26 this information on the school's website.

60.27 Subd. 6. **Duties.** (a) The board of directors also shall decide and is responsible for all  
 60.28 decision making on policy matters related to operating the school, including budgeting,  
 60.29 curriculum programming, personnel, and operating procedures. ~~The board shall adopt a~~  
 60.30 ~~nepotism policy.~~ The board shall must adopt personnel evaluation policies and practices  
 60.31 that, at a minimum:

60.32 (1) carry out the school's mission and goals;

61.1 (2) evaluate how charter contract goals and commitments are executed;

61.2 (3) evaluate student achievement, postsecondary and workforce readiness, and student  
 61.3 engagement and connection goals;

61.4 (4) establish a teacher evaluation process under section 124E.03, subdivision 2, paragraph  
 61.5 (h); and

61.6 (5) provide professional development related to the individual's job responsibilities.

61.7 (b) The board must adopt a nepotism policy that prohibits the employment of immediate  
 61.8 family members of a board member, a school employee, or a teacher who provides instruction  
 61.9 under a contract between the charter school and a cooperative. The board may waive this  
 61.10 policy if: (1) the position is publicly posted for 20 business days; and (2) a two-thirds  
 61.11 majority of the remaining board of directors who are not immediate family members of an  
 61.12 applicant vote to approve the hiring. A board member, school employee, or teacher under  
 61.13 contract with a cooperative must not be involved in an interview, selection process, hiring,  
 61.14 supervision, or evaluation of an employee who is an immediate family member.

61.15 Subd. 7. **Training.** ~~Every charter school board member shall attend annual training~~  
 61.16 ~~throughout the member's term. All new board members shall attend initial training on the~~  
 61.17 ~~board's role and responsibilities, employment policies and practices, and financial~~  
 61.18 ~~management. A new board member who does not begin the required initial training within~~  
 61.19 ~~six months after being seated and complete that training within 12 months after being seated~~

70.26 ~~is automatically ineligible to continue to serve as a board member. The school shall include~~  
 70.27 ~~in its annual report the training each board member attended during the previous year.~~

70.28 (a) Every charter school board member and nonvoting ex-officio member who is a charter  
 70.29 school director or chief administrator must attend board training.

70.30 (b) Prior to beginning their term, a new board member must complete training on a  
 70.31 charter school board's role and responsibilities, open meeting law, and data practices law.  
 70.32 An ex-officio member, who is a charter school director or chief administrator, must complete  
 70.33 this training within three months of starting employment at the school.

71.1 (c) A new board member must complete training on employment policies and practices  
 71.2 under chapter 181; public school funding and financial management; and the board's roles  
 71.3 and responsibilities regarding student success, achievement, and performance within 12  
 71.4 months of being seated on the board or the individual is automatically ineligible to continue  
 71.5 to serve as a board member. A board member who does not complete training within the  
 71.6 12-month period is ineligible to be elected or appointed to a charter school board for a period  
 71.7 of 18 months.

71.8 (d) Every charter school board member must complete annual training throughout the  
 71.9 member's term based on an annual assessment of the training needs of individual members  
 71.10 and the full board. Ongoing training includes but is not limited to budgeting, financial  
 71.11 management, recruiting and hiring a charter school director or chief administrator, evaluating  
 71.12 a charter school director or chief administrator, governance-management relationships,  
 71.13 student support services, the Pupil Fair Dismissal Act, state standards, cultural diversity,  
 71.14 succession planning, strategic planning, program oversight and evaluation, compensation  
 71.15 systems, human resources policies, effective parent and community relationships, authorizer  
 71.16 contract and relationships, charter school law, legal liability, board recruitment and elections,  
 71.17 board meetings and operations, policy development and review, and school health and  
 71.18 safety.

71.19 (e) The organization or person providing training under paragraphs (b), (c), and (d) must  
 71.20 certify the individual's completion of the training provided.

71.21 (f) The charter school is responsible for covering the costs related to board training. The  
 71.22 charter school must include in its annual report the board member training completed during  
 71.23 the previous year.

71.24 (g) The board must ensure that an annual assessment of the board's performance is  
 71.25 conducted and the results are reported in the school's annual report.

71.26 **Subd. 8. Meetings and information.** (a) Board of director meetings must comply with  
 71.27 chapter 13D governing open meetings.

71.28 (b) A charter school shall publish and maintain on the school's official website: (1) the  
 71.29 meeting minutes of the board of directors and of members and committees having  
 71.30 board-delegated authority, within 30 calendar days following the earlier of the date of board

61.20 ~~is automatically ineligible to continue to serve as a board member. The school shall include~~  
 61.21 ~~in its annual report the training each board member attended during the previous year.~~

61.22 (a) Every charter school board member and nonvoting ex-officio member who is a charter  
 61.23 school director or chief administrator must attend board training.

61.24 (b) Prior to beginning their term, a new board member must complete training on a  
 61.25 charter school board's role and responsibilities, open meeting law, and data practices law.  
 61.26 An ex-officio member, who is a charter school director or chief administrator, must complete  
 61.27 this training within three months of starting employment at the school.

61.28 (c) A new board member must complete training on employment policies and practices  
 61.29 under chapter 181; public school funding and financial management; and the board's roles  
 61.30 and responsibilities regarding student success, achievement, and performance within 12  
 61.31 months of being seated on the board or the individual is automatically ineligible to continue  
 61.32 to serve as a board member. A board member who does not complete training within the  
 62.1 12-month period is ineligible to be elected or appointed to a charter school board for a period  
 62.2 of 18 months.

62.3 (d) Every charter school board member must complete annual training throughout the  
 62.4 member's term based on an annual assessment of the training needs of individual members  
 62.5 and the full board. Ongoing training includes but is not limited to budgeting, financial  
 62.6 management, recruiting and hiring a charter school director or chief administrator, evaluating  
 62.7 a charter school director or chief administrator, governance-management relationships,  
 62.8 student support services, student discipline, state standards, cultural diversity, succession  
 62.9 planning, strategic planning, program oversight and evaluation, compensation systems,  
 62.10 human resources policies, effective parent and community relationships, authorizer contract  
 62.11 and relationships, charter school law, legal liability, board recruitment and elections, board  
 62.12 meetings and operations, policy development and review, and school health and safety.

62.13 (e) The organization or person providing training under paragraphs (b), (c), and (d) must  
 62.14 certify the individual's completion of the training provided.

62.15 (f) The charter school is responsible for covering the costs related to board training. The  
 62.16 charter school must include in its annual report the training each board member completed  
 62.17 during the previous year.

62.18 (g) The board must ensure that an annual assessment of the board's performance is  
 62.19 conducted and the results are reported in the school's annual report.

62.20 **Subd. 8. Meetings and information.** (a) Board of director meetings must comply with  
 62.21 chapter 13D governing open meetings.

62.22 (b) A charter school shall publish and maintain on the school's official website: (1) the  
 62.23 meeting minutes of the board of directors and of members and committees having  
 62.24 board-delegated authority, within 30 days following the earlier of the date of board approval

71.31 approval or the next regularly scheduled meeting, and for at least 365 days from the date  
71.32 of publication; (2) directory information for the board of directors and for the members of  
71.33 committees having board-delegated authority; and (3) identifying and contact information  
71.34 for the school's authorizer.

72.1 (c) A charter school must include identifying and contact information for the school's  
72.2 authorizer in other school materials it makes available to the public.

72.3 Sec. 11. Minnesota Statutes 2022, section 124E.10, subdivision 2, is amended to read:

72.4 Subd. 2. **Limits on charter school agreements.** (a) A school must disclose to the  
72.5 commissioner any potential contract, lease, or purchase of service from ~~an~~ the school's  
72.6 authorizer or a board member, employee, contractor, volunteer, or agent of the school's  
72.7 authorizer. The contract, lease, or purchase must be accepted through an open bidding  
72.8 process and be separate from the charter contract. The school must document the open  
72.9 bidding process. An authorizer must not enter into a contract to provide management and  
72.10 financial services to a school it authorizes, unless the school documents receiving at least  
72.11 two competitive bids. This paragraph does not apply to a charter school or an authorizer  
72.12 when contracting for legal services from a lawyer that provides professional services to the  
72.13 charter school or authorizer and who is subject to the Minnesota Rules of Professional  
72.14 Conduct.

72.15 (b) An authorizer must not condition granting or renewing a charter on:

72.16 (1) the charter school being required to contract, lease, or purchase services from the  
72.17 authorizer; or

72.18 (2) the bargaining unit status of school employees.

72.19 Sec. 12. Minnesota Statutes 2022, section 124E.10, subdivision 4, is amended to read:

72.20 Subd. 4. **Causes for nonrenewal or termination of charter school contract.** (a) The  
72.21 duration of the contract with an authorizer must be for the term contained in the contract  
72.22 according to subdivision 1, paragraph (a). The authorizer may or may not renew a contract  
72.23 at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally  
72.24 terminate a contract during the term of the contract for any ground listed in paragraph (b).  
72.25 At least 60 business days before not renewing or terminating a contract, the authorizer shall  
72.26 notify the board of directors of the charter school of the proposed action in writing. The  
72.27 notice shall state the grounds for the proposed action in reasonable detail and describe the  
72.28 informal hearing process, consistent with this paragraph. The charter school's board of  
72.29 directors may request in writing an informal hearing before the authorizer within 15 business  
72.30 days after receiving notice of nonrenewal or termination of the contract. Failure by the board  
72.31 of directors to make a written request for an informal hearing within the 15-business-day  
72.32 period shall be treated as acquiescence to the proposed action. Upon receiving a timely  
72.33 written request for a hearing, the authorizer shall give ten business days' notice to the charter  
73.1 school's board of directors of the hearing date. The hearing shall be recorded by audio  
73.2 recording, video recording, or a court reporter. The recording shall be preserved for three

62.25 or the next regularly scheduled meeting, and for at least 365 days from the date of publication;  
62.26 (2) directory information for the board of directors and for the members of committees  
62.27 having board-delegated authority; and (3) identifying and contact information for the school's  
62.28 authorizer.

62.29 (c) A charter school must include identifying and contact information for the school's  
62.30 authorizer in other school materials it makes available to the public.

62.31 Sec. 11. Minnesota Statutes 2022, section 124E.10, subdivision 2, is amended to read:

62.32 Subd. 2. **Limits on charter school agreements.** (a) A school must disclose to the  
62.33 commissioner any potential contract, lease, or purchase of service from ~~an~~ its authorizer or  
63.1 a board member, employee, contractor, volunteer, or agent of its authorizer. The contract,  
63.2 lease, or purchase must be accepted through an open bidding process and be separate from  
63.3 the charter contract. The school must document the open bidding process. An authorizer  
63.4 must not enter into a contract to provide management and financial services to a school it  
63.5 authorizes, unless the school documents receiving at least two competitive bids.

63.6 (b) Notwithstanding paragraph (a), a charter school may enter into a contract for legal  
63.7 services without opening a bidding process. The school must disclose the contract to the  
63.8 commissioner in accordance with paragraph (a).

63.9 ~~(b)~~ (c) An authorizer must not condition granting or renewing a charter on:

63.10 (1) the charter school being required to contract, lease, or purchase services from the  
63.11 authorizer; or

63.12 (2) the bargaining unit status of school employees.

63.13 Sec. 12. Minnesota Statutes 2022, section 124E.10, subdivision 4, is amended to read:

63.14 Subd. 4. **Causes for nonrenewal or termination of charter school contract.** (a) The  
63.15 duration of the contract with an authorizer must be for the term contained in the contract  
63.16 according to subdivision 1, paragraph (a). The authorizer may or may not renew a contract  
63.17 at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally  
63.18 terminate a contract during the term of the contract for any ground listed in paragraph (b).  
63.19 At least 60 business days before not renewing or terminating a contract, the authorizer shall  
63.20 notify the board of directors of the charter school of the proposed action in writing. The  
63.21 notice shall state the grounds for the proposed action in reasonable detail and describe the  
63.22 informal hearing process, consistent with this paragraph. The charter school's board of  
63.23 directors may request in writing an informal hearing before the authorizer within 15 business  
63.24 days after receiving notice of nonrenewal or termination of the contract. Failure by the board  
63.25 of directors to make a written request for an informal hearing within the 15-business-day  
63.26 period shall be treated as acquiescence to the proposed action. Upon receiving a timely  
63.27 written request for a hearing, the authorizer shall give ten business days' notice to the charter  
63.28 school's board of directors of the hearing date. The hearing must be recorded by audio  
63.29 recording, video recording, or a court reporter. The authorizer must preserve the recording

73.3 years and shall be made available to the public. The authorizer shall conduct an informal  
 73.4 hearing before taking final action. The authorizer shall take final action to renew or not  
 73.5 renew a contract no later than 20 business days before the proposed date for terminating  
 73.6 the contract or the end date of the contract.

73.7 (b) An authorizer may terminate or not renew a contract upon any of the following  
 73.8 grounds:

73.9 (1) failure to demonstrate satisfactory academic achievement for all students, including  
 73.10 the requirements for pupil performance contained in the contract;

73.11 (2) failure to meet generally accepted standards of fiscal management;

73.12 (3) violations of law; or

73.13 (4) other good cause shown.

73.14 If the authorizer terminates or does not renew a contract under this paragraph, the school  
 73.15 must be dissolved according to the applicable provisions of chapter 317A.

73.16 (c) The commissioner, after providing reasonable notice to the board of directors of a  
 73.17 charter school and the existing authorizer, and after providing an opportunity for a public  
 73.18 hearing, may terminate the existing contract between the authorizer and the charter school  
 73.19 board if the charter school has a history of:

73.20 (1) failure to meet pupil performance requirements, consistent with state law;

73.21 (2) financial mismanagement or failure to meet generally accepted standards of fiscal  
 73.22 management; or

73.23 (3) repeated or major violations of the law.

73.24 Sec. 13. Minnesota Statutes 2022, section 124E.10, subdivision 5, is amended to read:

73.25 Subd. 5. **Mutual nonrenewal.** If the authorizer and the ~~charter school~~ board of directors  
 73.26 of a charter school serving enrolled students mutually agree not to renew the contract, or if  
 73.27 the governing board of an approved authorizer votes to withdraw as an approved authorizer  
 73.28 for a reason unrelated to any cause under subdivision 4, a change in authorizers is allowed.  
 73.29 The authorizer and the school board must jointly submit a written and signed letter of their  
 73.30 intent to the commissioner to mutually not renew the contract. The authorizer that is a party  
 73.31 to the existing contract must inform the proposed authorizer about the fiscal, operational,  
 73.32 and student performance status of the school, including unmet contract outcomes and other  
 74.1 outstanding contractual obligations. The charter contract between the proposed authorizer  
 74.2 and the school must identify and provide a plan to address any outstanding obligations from  
 74.3 the previous contract. The proposed authorizer must submit the proposed contract at least  
 74.4 105 business days before the end of the existing charter contract. The commissioner has 30  
 74.5 business days to review and make a determination on the change in authorizer. The proposed  
 74.6 authorizer and the school have 15 business days to respond to the determination and address

63.30 for three years and make the recording available to the public. The authorizer shall conduct  
 63.31 an informal hearing before taking final action. The authorizer shall take final action to renew  
 63.32 or not renew a contract no later than 20 business days before the proposed date for terminating  
 63.33 the contract or the end date of the contract.

64.1 (b) An authorizer may terminate or not renew a contract upon any of the following  
 64.2 grounds:

64.3 (1) failure to demonstrate satisfactory academic achievement for all students, including  
 64.4 the requirements for pupil performance contained in the contract;

64.5 (2) failure to meet generally accepted standards of fiscal management;

64.6 (3) violations of law; or

64.7 (4) other good cause shown.

64.8 If the authorizer terminates or does not renew a contract under this paragraph, the school  
 64.9 must be dissolved according to the applicable provisions of chapter 317A.

64.10 (c) The commissioner, after providing reasonable notice to the board of directors of a  
 64.11 charter school and the existing authorizer, and after providing an opportunity for a public  
 64.12 hearing, may terminate the existing contract between the authorizer and the charter school  
 64.13 board if the charter school has a history of:

64.14 (1) failure to meet pupil performance requirements, consistent with state law;

64.15 (2) financial mismanagement or failure to meet generally accepted standards of fiscal  
 64.16 management; or

64.17 (3) repeated or major violations of the law.

64.18 Sec. 13. Minnesota Statutes 2022, section 124E.10, subdivision 5, is amended to read:

64.19 Subd. 5. **Mutual nonrenewal.** If the authorizer and the ~~charter school~~ board of directors  
 64.20 of a charter school serving enrolled students mutually agree not to renew the contract, or if  
 64.21 the governing board of an approved authorizer votes to withdraw as an approved authorizer  
 64.22 for a reason unrelated to any cause under subdivision 4, a change in authorizers is allowed.  
 64.23 The authorizer and the school board must jointly submit a written and signed letter of their  
 64.24 intent to the commissioner to mutually not renew the contract. The authorizer that is a party  
 64.25 to the existing contract must inform the proposed authorizer about the fiscal, operational,  
 64.26 and student performance status of the school, including unmet contract outcomes and other  
 64.27 outstanding contractual obligations. The charter contract between the proposed authorizer  
 64.28 and the school must identify and provide a plan to address any outstanding obligations from  
 64.29 the previous contract. The proposed authorizer must submit the proposed contract at least  
 64.30 105 business days before the end of the existing charter contract. The commissioner has 30  
 64.31 business days to review and make a determination on the change in authorizer. The proposed  
 64.32 authorizer and the school have 15 business days to respond to the determination and address

74.7 any issues identified by the commissioner. The commissioner must make a final  
 74.8 determination no later than 45 business days before the end of the current charter contract.  
 74.9 If the commissioner does not approve a change in authorizer, the school and the current  
 74.10 authorizer may withdraw their letter of nonrenewal and enter into a new contract. If the  
 74.11 commissioner does not approve a change in authorizer and the current authorizer and the  
 74.12 school do not withdraw their letter and enter into a new contract, the school must be dissolved  
 74.13 according to applicable law and the terms of the contract.

74.14 Sec. 14. Minnesota Statutes 2023 Supplement, section 124E.11, is amended to read:

74.15 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

74.16 (a) A charter school, including its preschool or prekindergarten program established  
 74.17 under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

74.18 (1) pupils within an age group or grade level;

74.19 (2) pupils who are eligible to participate in the graduation incentives program under  
 74.20 section 124D.68; or

74.21 (3) residents of a specific geographic area in which the school is located when the  
 74.22 majority of students served by the school are members of underserved populations.

74.23 (b) A charter school, including its preschool or prekindergarten program established  
 74.24 under section 124E.06, subdivision 3, paragraph (b), must enroll an eligible pupil who  
 74.25 submits a timely application, unless the number of applications exceeds the capacity of a  
 74.26 program, class, grade level, or building. In this case, pupils must be accepted by lot. The  
 74.27 charter school must develop and publish, including on its website, a lottery policy and  
 74.28 process that it must use when accepting pupils by lot.

74.29 (c) Admission to a charter school must be free to any eligible pupil who resides within  
 74.30 the state. A charter school must give enrollment preference to a Minnesota resident pupil  
 74.31 over pupils that do not reside in Minnesota. A charter school must require a pupil who does  
 74.32 not reside in Minnesota to annually apply to enroll in accordance with paragraphs (a) to (f).  
 74.33 A charter school must give enrollment preference to a sibling of an enrolled pupil and to a  
 75.1 foster child of that pupil's parents and may give preference for enrolling children of the  
 75.2 school's staff before accepting other pupils by lot. A staff member eligible for an enrollment  
 75.3 preference for their children must be an individual employed at the school whose employment  
 75.4 is stipulated in advance to total at least 480 hours in a school calendar year. A charter school  
 75.5 that is located in Duluth township in St. Louis County and admits students in kindergarten  
 75.6 through grade 6 must give enrollment preference to students residing within a five-mile  
 75.7 radius of the school and to the siblings of enrolled children.

75.8 (d) A person may not be admitted to a charter school: (1) as a kindergarten pupil, unless  
 75.9 the pupil is at least five years of age on September 1 of the calendar year in which the school  
 75.10 year for which the pupil seeks admission commences; or (2) as a first grade student, unless  
 75.11 the pupil is at least six years of age on September 1 of the calendar year in which the school

65.1 any issues identified by the commissioner. The commissioner must make a final  
 65.2 determination no later than 45 business days before the end of the current charter contract.  
 65.3 If the commissioner does not approve a change in authorizer, the school and the current  
 65.4 authorizer may withdraw their letter of nonrenewal and enter into a new contract. If the  
 65.5 commissioner does not approve a change in authorizer and the current authorizer and the  
 65.6 school do not withdraw their letter and enter into a new contract, the school must be dissolved  
 65.7 according to applicable law and the terms of the contract.

65.8 Sec. 14. Minnesota Statutes 2023 Supplement, section 124E.11, is amended to read:

65.9 **124E.11 ADMISSION REQUIREMENTS AND ENROLLMENT.**

65.10 (a) A charter school, including its preschool or prekindergarten program established  
 65.11 under section 124E.06, subdivision 3, paragraph (b), may limit admission to:

65.12 (1) pupils within an age group or grade level;

65.13 (2) pupils who are eligible to participate in the graduation incentives program under  
 65.14 section 124D.68; or

65.15 (3) residents of a specific geographic area in which the school is located when the  
 65.16 majority of students served by the school are members of underserved populations.

65.17 (b) A charter school, including its preschool or prekindergarten program established  
 65.18 under section 124E.06, subdivision 3, paragraph (b), must enroll an eligible pupil who  
 65.19 submits a timely application, unless the number of applications exceeds the capacity of a  
 65.20 program, class, grade level, or building. In this case, pupils must be accepted by lot. The  
 65.21 charter school must develop and publish, including on its website, a lottery policy and  
 65.22 process that it must use when accepting pupils by lot.

65.23 (c) Admission to a charter school must be free to any eligible pupil who resides within  
 65.24 the state. A charter school must give enrollment preference to a Minnesota resident pupil  
 65.25 over pupils that do not reside in Minnesota. A charter school must require a pupil who does  
 65.26 not reside in Minnesota to annually apply to enroll in accordance with paragraphs (a) to (f).  
 65.27 A charter school must give enrollment preference to a sibling of an enrolled pupil and to a  
 65.28 foster child of that pupil's parents and may give preference for enrolling children of the  
 65.29 school's staff before accepting other pupils by lot. A staff member is eligible for an enrollment  
 65.30 preference for the staff member's child if the individual is expected to perform work for the  
 65.31 school for at least 480 hours in a school calendar year. A charter school that is located in  
 65.32 Duluth township in St. Louis County and admits students in kindergarten through grade 6  
 66.1 must give enrollment preference to students residing within a five-mile radius of the school  
 66.2 and to the siblings of enrolled children.

66.3 (d) A person may not be admitted to a charter school: (1) as a kindergarten pupil, unless  
 66.4 the pupil is at least five years of age on September 1 of the calendar year in which the school  
 66.5 year for which the pupil seeks admission commences; or (2) as a first grade student, unless  
 66.6 the pupil is at least six years of age on September 1 of the calendar year in which the school

75.12 year for which the pupil seeks admission commences or has completed kindergarten; except  
 75.13 that a charter school may establish and publish on its website a policy for admission of  
 75.14 selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b)  
 75.15 and (c).

75.16 (e) Except as permitted in paragraphs (d) and (i), a charter school, including its preschool  
 75.17 or prekindergarten program established under section 124E.06, subdivision 3, paragraph  
 75.18 (b), may not limit admission to pupils on the basis of intellectual ability, measures of  
 75.19 achievement or aptitude, or athletic ability and may not establish any criteria or requirements  
 75.20 for admission that are inconsistent with this section.

75.21 (f) The charter school or any agent of the school must not distribute any services or  
 75.22 goods, payments, or other incentives of value to students, parents, or guardians as an  
 75.23 inducement, term, or condition of enrolling a student in a charter school.

75.24 (g) Once a student who resides in Minnesota is enrolled in the school in kindergarten  
 75.25 through grade 12, or in the school's free preschool or prekindergarten program under section  
 75.26 124E.06, subdivision 3, paragraph (b), the student is considered enrolled in the school until  
 75.27 the student formally withdraws, the school receives a request for the transfer of educational  
 75.28 records from another school, the school receives a written election by the parent or legal  
 75.29 guardian of the student withdrawing the student, or the student is expelled under the Pupil  
 75.30 Fair Dismissal Act in sections 121A.40 to 121A.56.

75.31 (h) A charter school with at least 90 percent of enrolled students who are eligible for  
 75.32 special education services and have a primary disability of deaf or hard-of-hearing may  
 75.33 enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1,  
 75.34 paragraph (a), and must comply with the federal Individuals with Disabilities Education  
 76.1 Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause  
 76.2 (iv).

76.3 (i) A charter school serving at least 90 percent of enrolled students who are eligible for  
 76.4 special education services and have a primary disability of deaf, deafblind, or hard-of-hearing  
 76.5 may give enrollment preference to students who are eligible for special education services  
 76.6 and have a primary disability of deaf, deafblind, or hard-of-hearing. The charter school may  
 76.7 not limit admission based on the student's eligibility for additional special education services.

76.8 Sec. 15. Minnesota Statutes 2023 Supplement, section 124E.12, subdivision 1, is amended  
 76.9 to read:

76.10 Subdivision 1. **Teachers.** A charter school, excluding its preschool or prekindergarten  
 76.11 program established under section 124E.06, subdivision 3, must employ or contract with  
 76.12 necessary teachers, as defined by section 122A.06, subdivision 2, or contract with a  
 76.13 cooperative formed under chapter 308A to provide necessary teachers, who hold valid  
 76.14 licenses to perform the particular service for which they are employed in the school. A  
 76.15 charter school may not contract with a CMO or EMO to provide necessary teachers. A  
 76.16 charter school's preschool or prekindergarten program must employ or contract with teachers

66.7 year for which the pupil seeks admission commences or has completed kindergarten; except  
 66.8 that a charter school may establish and publish on its website a policy for admission of  
 66.9 selected pupils at an earlier age, consistent with the enrollment process in paragraphs (b)  
 66.10 and (c).

66.11 (e) Except as permitted in paragraphs (d) and (i), a charter school, including its preschool  
 66.12 or prekindergarten program established under section 124E.06, subdivision 3, paragraph  
 66.13 (b), may not limit admission to pupils on the basis of intellectual ability, measures of  
 66.14 achievement or aptitude, or athletic ability and may not establish any criteria or requirements  
 66.15 for admission that are inconsistent with this section.

66.16 (f) The charter school or any agent of the school must not distribute any services or  
 66.17 goods, payments, or other incentives of value to students, parents, or guardians as an  
 66.18 inducement, term, or condition of enrolling a student in a charter school.

66.19 (g) Once a student who resides in Minnesota is enrolled in the school in kindergarten  
 66.20 through grade 12, or in the school's free preschool or prekindergarten program under section  
 66.21 124E.06, subdivision 3, paragraph (b), the student is considered enrolled in the school until  
 66.22 the student formally withdraws, the school receives a request for the transfer of educational  
 66.23 records from another school, the school receives a written election by the parent or legal  
 66.24 guardian of the student withdrawing the student, or the student is expelled under the Pupil  
 66.25 Fair Dismissal Act in sections 121A.40 to 121A.56.

66.26 (h) A charter school with at least 90 percent of enrolled students who are eligible for  
 66.27 special education services and have a primary disability of deaf or hard-of-hearing may  
 66.28 enroll prekindergarten pupils with a disability under section 126C.05, subdivision 1,  
 66.29 paragraph (a), and must comply with the federal Individuals with Disabilities Education  
 66.30 Act under Code of Federal Regulations, title 34, section 300.324, subsection (2), clause  
 66.31 (iv).

66.32 (i) A charter school serving at least 90 percent of enrolled students who are eligible for  
 66.33 special education services and have a primary disability of deaf, deafblind, or hard-of-hearing  
 66.34 may give enrollment preference to students who are eligible for special education services  
 67.1 and have a primary disability of deaf, deafblind, or hard-of-hearing. The charter school may  
 67.2 not limit admission based on the student's eligibility for additional special education services.

67.3 Sec. 15. Minnesota Statutes 2023 Supplement, section 124E.12, subdivision 1, is amended  
 67.4 to read:

67.5 Subdivision 1. **Teachers.** A charter school, excluding its preschool or prekindergarten  
 67.6 program established under section 124E.06, subdivision 3, must employ or contract with  
 67.7 necessary teachers, as defined by section 122A.06, subdivision 2, or contract with a  
 67.8 cooperative formed under chapter 308A to provide necessary teachers, who hold valid  
 67.9 licenses to perform the particular service for which they are employed in the school. A  
 67.10 charter school may not contract with a CMO or EMO to provide necessary teachers. A  
 67.11 charter school's preschool or prekindergarten program must employ or contract with teachers



76.17 knowledgeable in early childhood curriculum content, assessment, native and English  
 76.18 language programs, and instruction established under section 124E.06, subdivision 3. The  
 76.19 commissioner may reduce the charter school's state aid under section 127A.43 if the school  
 76.20 employs a teacher who is not appropriately licensed or approved by the Professional Educator  
 76.21 Licensing and Standards Board. The school may employ necessary employees who are not  
 76.22 required to hold teaching licenses to perform duties other than teaching and may contract  
 76.23 for other services. The school may discharge teachers and nonlicensed employees. The  
 76.24 charter school board is subject to section 181.932 governing whistle-blowers. When offering  
 76.25 employment to a prospective employee, a charter school must give that employee a written  
 76.26 description of the terms and conditions of employment and the school's personnel policies.

76.27 Sec. 16. Minnesota Statutes 2022, section 124E.12, subdivision 2, is amended to read:

76.28 Subd. 2. **Administrators.** ~~(a) A person, without holding a valid administrator's license,~~  
 76.29 ~~may perform administrative, supervisory, or instructional leadership duties. The board of~~  
 76.30 ~~directors shall establish qualifications for all persons who hold administrative, supervisory,~~  
 76.31 ~~or instructional leadership roles. The qualifications shall cover at least: instruction and~~  
 76.32 ~~assessment; human resource and personnel management; financial management; legal and~~  
 76.33 ~~compliance management; effective communication; and board, authorizer, and community~~  
 77.1 ~~relationships. The board of directors shall use those qualifications as the basis for job~~  
 77.2 ~~descriptions, hiring, and performance evaluations of those who hold administrative,~~  
 77.3 ~~supervisory, or instructional leadership roles.~~

77.4 ~~(b) The board of directors and an individual who does not hold a valid administrative~~  
 77.5 ~~license and who serves in an administrative, supervisory, or instructional leadership position~~  
 77.6 ~~shall develop a professional development plan. The school's annual report must include~~  
 77.7 ~~public personnel information documenting the professional development plan.~~

77.8 (a) A charter school board of directors must establish qualifications for all persons who  
 77.9 hold administrative, academic supervision, or instructional leadership positions. The  
 77.10 qualifications must include a requirement that a person hold a minimum of a four-year  
 77.11 degree from an accredited institution or equivalent experience. Other qualifications for these  
 77.12 positions shall include, as appropriate for the specific position: instruction and assessment,  
 77.13 curriculum design, human resource and personnel management, professional ethics, child  
 77.14 development, financial management, legal and compliance management, special education  
 77.15 oversight, contract management, effective communication, cultural competency, board and  
 77.16 authorizer relationships, parent relationships, and community partnerships. A charter school  
 77.17 board of directors must use those qualifications as the basis for the job description, hiring,  
 77.18 and performance evaluation of the charter school director or chief administrator. The charter  
 77.19 school director or chief administrator must use those qualifications as the basis for the job  
 77.20 descriptions, hiring, and performance reviews for the administrative staff, academic program  
 77.21 supervisors, and instructional leaders who report to the charter school director or chief  
 77.22 administrator.

77.23 (b) A person who does not hold a valid administrator's license may perform  
 77.24 administrative, academic supervision, or instructional leadership duties. A person without

67.12 knowledgeable in early childhood curriculum content, assessment, native and English  
 67.13 language programs, and instruction established under section 124E.06, subdivision 3. The  
 67.14 commissioner may reduce the charter school's state aid under section 127A.43 if the school  
 67.15 employs a teacher who is not appropriately licensed or approved by the Professional Educator  
 67.16 Licensing and Standards Board. The school may employ necessary employees who are not  
 67.17 required to hold teaching licenses to perform duties other than teaching and may contract  
 67.18 for other services. The school may discharge teachers and nonlicensed employees. The  
 67.19 charter school board is subject to section 181.932 governing whistle-blowers. When offering  
 67.20 employment to a prospective employee, a charter school must give that employee a written  
 67.21 description of the terms and conditions of employment and the school's personnel policies.

67.22 Sec. 16. Minnesota Statutes 2022, section 124E.12, subdivision 2, is amended to read:

67.23 Subd. 2. **Administrators.** ~~(a) A person, without holding a valid administrator's license,~~  
 67.24 ~~may perform administrative, supervisory, or instructional leadership duties. The board of~~  
 67.25 ~~directors shall establish qualifications for all persons who hold administrative, supervisory,~~  
 67.26 ~~or instructional leadership roles. The qualifications shall cover at least: instruction and~~  
 67.27 ~~assessment; human resource and personnel management; financial management; legal and~~  
 67.28 ~~compliance management; effective communication; and board, authorizer, and community~~  
 67.29 ~~relationships. The board of directors shall use those qualifications as the basis for job~~  
 67.30 ~~descriptions, hiring, and performance evaluations of those who hold administrative,~~  
 67.31 ~~supervisory, or instructional leadership roles.~~

67.32 ~~(b) The board of directors and an individual who does not hold a valid administrative~~  
 67.33 ~~license and who serves in an administrative, supervisory, or instructional leadership position~~  
 68.1 ~~shall develop a professional development plan. The school's annual report must include~~  
 68.2 ~~public personnel information documenting the professional development plan.~~

68.3 (a) A charter school board of directors must establish qualifications for all persons who  
 68.4 hold administrative, academic supervision, or instructional leadership positions. The  
 68.5 qualifications must include a requirement that a person hold a minimum of a four-year  
 68.6 degree from an accredited institution or equivalent experience. Other qualifications for these  
 68.7 positions shall include, as appropriate for the specific position: instruction and assessment,  
 68.8 curriculum design, human resource and personnel management, professional ethics, child  
 68.9 development, financial management, legal and compliance management, special education  
 68.10 oversight, contract management, effective communication, cultural competency, board and  
 68.11 authorizer relationships, parent relationships, and community partnerships. A charter school  
 68.12 board of directors must use those qualifications as the basis for the job description, hiring,  
 68.13 and performance evaluation of the charter school director or chief administrator. The charter  
 68.14 school director or chief administrator must use those qualifications as the basis for the job  
 68.15 descriptions, hiring, and performance reviews for the administrative staff, academic program  
 68.16 supervisors, and instructional leaders who report to the charter school director or chief  
 68.17 administrator.

68.18 (b) A person who does not hold a valid administrator's license may perform  
 68.19 administrative, academic supervision, or instructional leadership duties. A person without

77.25 a valid administrator's license, serving as a charter school director or chief administrator,  
 77.26 must complete a minimum of 25 hours annually of competency-based training corresponding  
 77.27 to the individual's annual professional development needs and plan approved by the charter  
 77.28 school board of directors. Training includes but is not limited to: instruction and curriculum;  
 77.29 state standards; teacher and staff hiring, development, support, and evaluation;  
 77.30 social-emotional learning; data collection and usage; assessment methodologies; use of  
 77.31 technology for learning and management; charter school law and requirements; code of  
 77.32 professional ethics; financial management and state accounting requirements; grant  
 77.33 management; legal and compliance management; special education management; health  
 77.34 and safety laws; restorative justice; cultural competencies; effective communication; parent  
 78.1 relationships; board and management relationships; community partnerships; charter contract  
 78.2 and authorizer relationships; and public accountability.

78.3 (c) A person serving as a new charter school director or chief administrator with a valid  
 78.4 administrator's license must complete a minimum of ten hours of competency-based training  
 78.5 during the first year of employment on the following: charter school law and requirements,  
 78.6 board and management relationships, and charter contract and authorizer relationships.

78.7 (d) The training a person must complete under paragraphs (b) and (c) may not be  
 78.8 self-instructional. The organization or instructor providing the training must certify  
 78.9 completion of the training. The person must submit the certification of completion of training  
 78.10 to the charter school board of directors and certifications must be maintained in the personnel  
 78.11 file. Completing required training must be a component of annual performance evaluations.

78.12 (e) All professional development training completed by the charter school director or  
 78.13 chief administrator in the previous academic year must be documented in the charter school's  
 78.14 annual report.

78.15 (f) No charter school administrator may serve as a paid administrator or consultant with  
 78.16 another charter school without the knowledge and a two-thirds vote of approval of the boards  
 78.17 of directors of the charter schools involved in such an arrangement. The boards of directors  
 78.18 involved in such arrangements must send notice of this arrangement to authorizers upon  
 78.19 approval by the boards.

78.20 (g) No charter school administrator may serve on the board of directors of another charter  
 78.21 school.

78.22 Sec. 17. Minnesota Statutes 2022, section 124E.14, is amended to read:

78.23 **124E.14 CONFLICTS OF INTEREST.**

78.24 (a) No member of the board of directors, employee, officer, or agent of a charter school  
 78.25 shall participate in selecting, awarding, or administering a contract if a conflict of interest  
 78.26 exists. A conflict exists when:

78.27 (1) the board member, employee, officer, or agent;

78.28 (2) the immediate family of the board member, employee, officer, or agent;

68.20 a valid administrator's license serving as a charter school director or chief administrator  
 68.21 must complete a minimum of 25 hours annually of competency-based training corresponding  
 68.22 to the individual's annual professional development needs and plan approved by the charter  
 68.23 school board of directors. Training includes but is not limited to: instruction and curriculum;  
 68.24 state standards; teacher and staff hiring, development, support, and evaluation;  
 68.25 social-emotional learning; data collection and usage; assessment methodologies; use of  
 68.26 technology for learning and management; charter school law and requirements; code of  
 68.27 professional ethics; financial management and state accounting requirements; grant  
 68.28 management; legal and compliance management; special education management; health  
 68.29 and safety laws; restorative justice; cultural competencies; effective communication; parent  
 68.30 relationships; board and management relationships; community partnerships; charter contract  
 68.31 and authorizer relationships; and public accountability.

68.32 (c) A person serving as a charter school director or chief administrator with a valid  
 68.33 administrator's license must complete a minimum of ten hours of competency-based training  
 68.34 during the first year of employment on the following: charter school law and requirements,  
 68.35 board and management relationships, and charter contract and authorizer relationships.

69.1 (d) The training a person must complete under paragraphs (b) and (c) may not be  
 69.2 self-instructional. The organization or instructor providing the training must certify  
 69.3 completion of the training. The person must submit the certification of completion of training  
 69.4 to the charter school board of directors and certifications must be maintained in the personnel  
 69.5 file. Completing required training must be a component of annual performance evaluations.

69.6 (e) All professional development training completed by the charter school director or  
 69.7 chief administrator in the previous academic year must be documented in the charter school's  
 69.8 annual report.

69.9 (f) No charter school administrator may serve as a paid administrator or consultant with  
 69.10 another charter school without the knowledge and a two-thirds vote of approval of the boards  
 69.11 of directors of the charter schools involved in such an arrangement. The boards of directors  
 69.12 involved in such arrangements must send notice of this arrangement to authorizers upon  
 69.13 approval by the boards.

69.14 (g) No charter school administrator may serve on the board of directors of another charter  
 69.15 school.

69.16 Sec. 17. Minnesota Statutes 2022, section 124E.14, is amended to read:

69.17 **124E.14 CONFLICTS OF INTEREST.**

69.18 (a) No member of the board of directors, employee, officer, or agent of a charter school  
 69.19 shall participate in selecting, awarding, or administering a contract if a conflict of interest  
 69.20 exists. A conflict exists when:

69.21 (1) the board member, employee, officer, or agent;

69.22 (2) the immediate family of the board member, employee, officer, or agent;

78.29 (3) the partner of the board member, employee, officer, or agent; or

78.30 (4) an organization that employs, or is about to employ any individual in clauses (1) to

78.31 (3),

79.1 has a financial or other interest in the entity with which the charter school is contracting. A

79.2 violation of this prohibition renders the contract void.

79.3 (b) The conflict of interest provisions under this section do not apply to compensation

79.4 paid to a teacher employed as a teacher by the charter school or a teacher who provides

79.5 instructional services to the charter school through a cooperative formed under chapter

79.6 308A when the teacher also serves on the charter school board of directors.

79.7 (c) A charter school board member, employee, or officer is a local official for purposes

79.8 of section 471.895 with regard to receipt of gifts as defined under section 10A.071,

79.9 subdivision 1, paragraph (b). A board member, employee, or officer must not receive

79.10 compensation from a group health insurance provider.

79.11 (d) No charter school employee or board member may serve on the board or

79.12 decision-making committee of the school's authorizer. An employee or school board member

79.13 must disclose to the school's board of directors any paid compensation they receive from

79.14 the school's authorizer.

79.15 Sec. 18. Minnesota Statutes 2023 Supplement, section 124E.16, subdivision 1, is amended

79.16 to read:

79.17 Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits,

79.18 audit procedures, and audit requirements as a district, except as required under this

79.19 subdivision. Audits must be conducted in compliance with generally accepted governmental

79.20 auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing

79.21 auditing procedures. ~~A charter school is subject to and must comply with sections 15.054;~~

79.22 ~~118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property~~

79.23 ~~and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing~~

79.24 ~~municipal contracting.~~ The audit must comply with the requirements of sections 123B.75

79.25 to 123B.83 governing school district finance, except when the commissioner and authorizer

79.26 approve a deviation made necessary because of school program finances. The commissioner,

79.27 state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance

79.28 audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must

79.29 submit a plan under section 123B.81, subdivision 4.

79.30 (b) The charter school must submit an audit report to the commissioner and its authorizer

79.31 annually by December 31.

79.32 (c) The charter school, with the assistance of the auditor conducting the audit, must

79.33 include with the report, as supplemental information: (1) a copy of a new management

80.1 agreement or an amendment to a current agreement with a CMO or EMO signed during the

80.2 audit year; and (2) a copy of a service agreement or contract with a company or individual

69.23 (3) the partner of the board member, employee, officer, or agent; or

69.24 (4) an organization that employs, or is about to employ any individual in clauses (1) to

69.25 (3),

69.26 has a financial or other interest in the entity with which the charter school is contracting. A

69.27 violation of this prohibition renders the contract void.

69.28 (b) The conflict of interest provisions under this section do not apply to compensation

69.29 paid to a teacher employed as a teacher by the charter school or a teacher who provides

69.30 instructional services to the charter school through a cooperative formed under chapter

69.31 308A when the teacher also serves on the charter school board of directors.

70.1 (c) A charter school board member, employee, or officer is a local official for purposes

70.2 of section 471.895 with regard to receipt of gifts as defined under section 10A.071,

70.3 subdivision 1, paragraph (b). A board member, employee, or officer must not receive

70.4 compensation from a group health insurance provider.

70.5 (d) No charter school employee or board member may serve on the board or

70.6 decision-making committee of the school's authorizer. An employee or school board member

70.7 must disclose to the school's board of directors any paid compensation they receive from

70.8 the school's authorizer.

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70.10 to read:

70.11 Subdivision 1. **Audit report.** (a) A charter school is subject to the same financial audits,

70.12 audit procedures, and audit requirements as a district, except as required under this

70.13 subdivision. Audits must be conducted in compliance with generally accepted governmental

70.14 auditing standards, the federal Single Audit Act, if applicable, and section 6.65 governing

70.15 auditing procedures. ~~A charter school is subject to and must comply with sections 15.054;~~

70.16 ~~118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06 governing government property~~

70.17 ~~and financial investments; and sections 471.38; 471.391; 471.392; and 471.425 governing~~

70.18 ~~municipal contracting.~~ The audit must comply with the requirements of sections 123B.75

70.19 to 123B.83 governing school district finance, except when the commissioner and authorizer

70.20 approve a deviation made necessary because of school program finances. The commissioner,

70.21 state auditor, legislative auditor, or authorizer may conduct financial, program, or compliance

70.22 audits. A charter school in statutory operating debt under sections 123B.81 to 123B.83 must

70.23 submit a plan under section 123B.81, subdivision 4.

70.24 (b) The charter school must submit an audit report to the commissioner and its authorizer

70.25 annually by December 31.

70.26 (c) The charter school, with the assistance of the auditor conducting the audit, must

70.27 include with the report, as supplemental information: (1) a copy of a new management

70.28 agreement or an amendment to a current agreement with a CMO or EMO signed during the

70.29 audit year; and (2) a copy of a service agreement or contract with a company or individual

80.3 totaling over five percent of the audited expenditures for the most recent audit year. The  
 80.4 agreements must detail the terms of the agreement, including the services provided and the  
 80.5 annual costs for those services.

80.6 (d) A charter school independent audit report shall include audited financial data of an  
 80.7 affiliated building corporation under section 124E.13, subdivision 3, or other component  
 80.8 unit.

80.9 (e) If the audit report finds that a material weakness exists in the financial reporting  
 80.10 systems of a charter school, the charter school must submit a written report to the  
 80.11 commissioner explaining how the charter school will resolve that material weakness. An  
 80.12 auditor, as a condition of providing financial services to a charter school, must agree to  
 80.13 make available information about a charter school's financial audit to the commissioner and  
 80.14 authorizer upon request.

80.15 Sec. 19. Minnesota Statutes 2022, section 124E.17, is amended to read:

80.16 **124E.17 DISSEMINATION OF INFORMATION.**

80.17 Subdivision 1. **Charter school information.** (a) Charter schools must disseminate  
 80.18 information about ~~how to use the charter school offerings to targeted groups, among others.~~  
 80.19 ~~Targeted groups include low income families and communities, students of color, and~~  
 80.20 ~~students who are at risk of academic failure; the school's offerings and enrollment procedures~~  
 80.21 ~~to families that reflect the diversity of Minnesota's population and targeted groups. Targeted~~  
 80.22 ~~groups include low-income families and communities, students of color, students at risk of~~  
 80.23 ~~academic failure, and students underrepresented in the school's student body relative to~~  
 80.24 ~~Minnesota's population. The school must document its dissemination activities in the school's~~  
 80.25 ~~annual report. The school's dissemination activities must be a component of the authorizer's~~  
 80.26 ~~performance review of the school.~~

80.27 (b) Authorizers and the commissioner must disseminate information to the public on  
 80.28 how to form and operate a charter school. Authorizers, operators, and the commissioner  
 80.29 also may disseminate information to interested stakeholders about the successful best  
 80.30 practices in teaching and learning demonstrated by charter schools.

80.31 Subd. 2. **Financial information.** Upon request of an individual, the charter school must  
 80.32 make available in a timely fashion financial statements showing all operations and  
 80.33 transactions affecting the school's income, surplus, and deficit during the last annual  
 81.1 accounting period; and a balance sheet summarizing assets and liabilities on the closing  
 81.2 date of the accounting period. ~~A charter school also must include that same information~~  
 81.3 ~~about its authorizer in other school materials that it makes available to the public. Upon~~  
 81.4 ~~request, the authorizer must provide the same information about its organization.~~

70.30 totaling over five percent of the audited expenditures for the most recent audit year. The  
 70.31 agreements must detail the terms of the agreement, including the services provided and the  
 70.32 annual costs for those services.

71.1 (d) A charter school independent audit report shall include audited financial data of an  
 71.2 affiliated building corporation under section 124E.13, subdivision 3, or other component  
 71.3 unit.

71.4 (e) If the audit report finds that a material weakness exists in the financial reporting  
 71.5 systems of a charter school, the charter school must submit a written report to the  
 71.6 commissioner explaining how the charter school will resolve that material weakness. An  
 71.7 auditor, as a condition of providing financial services to a charter school, must agree to  
 71.8 make available information about a charter school's financial audit to the commissioner and  
 71.9 authorizer upon request.

71.10 Sec. 19. Minnesota Statutes 2022, section 124E.17, is amended to read:

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 71.13 information about ~~how to use the charter school offerings to targeted groups, among others.~~  
 71.14 ~~Targeted groups include low income families and communities, students of color, and~~  
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 71.16 ~~to families that reflect the diversity of Minnesota's population and targeted groups. Targeted~~  
 71.17 ~~groups include low-income families and communities, students of color, students at risk of~~  
 71.18 ~~academic failure, and students underrepresented in the school's student body relative to~~  
 71.19 ~~Minnesota's population. The school must document its dissemination activities in the school's~~  
 71.20 ~~annual report. The school's dissemination activities must be a component of the authorizer's~~  
 71.21 ~~performance review of the school.~~

71.22 (b) Authorizers and the commissioner must disseminate information to the public on  
 71.23 how to form and operate a charter school. Authorizers, operators, and the commissioner  
 71.24 also may disseminate information to interested stakeholders about the successful best  
 71.25 practices in teaching and learning demonstrated by charter schools.

71.26 Subd. 2. **Financial information.** (a) Upon request of an individual, the charter school  
 71.27 must make available in a timely fashion financial statements showing all operations and  
 71.28 transactions affecting the school's income, surplus, and deficit during the last annual  
 71.29 accounting period; and a balance sheet summarizing assets and liabilities on the closing  
 71.30 date of the accounting period. ~~A charter school also must include that same information~~  
 71.31 ~~about its authorizer in other school materials that it makes available to the public.~~

71.32 (b) Upon request of an individual, an authorizer must make available in a timely fashion  
 71.33 financial statements showing all operations and transactions affecting the authorizer's income,  
 72.1 surplus, and deficit during the last annual accounting period, and a balance sheet summarizing  
 72.2 assets and liabilities on the closing date of the accounting period.

81.5 Sec. 20. Minnesota Statutes 2022, section 124E.26, is amended to read:

81.6 **124E.26 USE OF STATE MONEY.**

81.7 Subdivision 1. **Purchasing buildings.** A charter school may not use state money to  
81.8 purchase land or buildings. The charter school may own land and buildings if obtained  
81.9 through nonstate sources.

81.10 Subd. 2. **Procurement policy required.** Prior to the expenditure of any state funds, a  
81.11 charter school must adopt a procurement policy consistent with subdivision 4.

81.12 Subd. 3. **All purchases.** All purchases using state funds must be made consistent with  
81.13 the procurement policy adopted under subdivision 2.

81.14 Subd. 4. **Required policy components.** A charter school procurement policy must at a  
81.15 minimum include:

81.16 (1) conflict of interest provisions consistent with section 124E.14;

81.17 (2) thresholds for purchases by employees without board approval;

81.18 (3) thresholds for purchases that require competitive bidding processes, except that a  
81.19 competitive bidding process must occur for any procurement estimated to exceed \$25,000;  
81.20 and

81.21 (4) a prohibition on breaking up a procurement into smaller components to avoid the  
81.22 thresholds established in clauses (2) and (3).

81.23 Subd. 5. **Reduction in aid.** If a charter school makes a purchase without a procurement  
81.24 policy adopted by the school's board or makes a purchase not in conformity with the school's  
81.25 procurement policy, the commissioner may reduce that charter school's state aid in an amount  
81.26 equal to the purchase.

81.27 Subd. 6. **Property, financial investments, and contracting.** A charter school is subject  
81.28 to and must comply with sections 15.054 and 118A.01 to 118A.06 governing government  
81.29 property and financial investments and sections 471.38, 471.391, 471.392, and 471.425  
81.30 governing municipal contracting.

72.3 Sec. 20. Minnesota Statutes 2022, section 124E.26, is amended to read:

72.4 **124E.26 USE OF STATE MONEY.**

72.5 Subdivision 1. **Purchasing buildings.** A charter school may not use state money to  
72.6 purchase land or buildings. The charter school may own land and buildings if obtained  
72.7 through nonstate sources.

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72.9 charter school must adopt a procurement policy consistent with subdivision 4.

72.10 Subd. 3. **All purchases.** All purchases using state funds must be made consistent with  
72.11 the procurement policy adopted under subdivision 2.

72.12 Subd. 4. **Required policy components.** A charter school procurement policy must at a  
72.13 minimum include:

72.14 (1) conflict of interest provisions consistent with section 124E.14;

72.15 (2) thresholds for purchases by employees without board approval;

72.16 (3) a requirement to use a competitive bidding process for a purchase that is \$25,000 or  
72.17 more; and

72.18 (4) a prohibition on breaking up a procurement into smaller components to avoid the  
72.19 thresholds established in clauses (2) and (3).

72.20 Subd. 5. **Reduction in aid.** If a charter school makes a purchase without a procurement  
72.21 policy adopted by the school's board or makes a purchase not in conformity with the school's  
72.22 procurement policy, the commissioner may reduce that charter school's state aid in an amount  
72.23 equal to the purchase.

72.24 Subd. 6. **Property, financial investments, and contracting.** A charter school is subject  
72.25 to and must comply with sections 15.054 and 118A.01 to 118A.06 governing government  
72.26 property and financial investments and sections 471.38, 471.391, 471.392, and 471.425  
72.27 governing municipal contracting.