SF2412 REVISOR CR S2412-1 1st Engrossment

## **SENATE** STATE OF MINNESOTA **NINETY-FOURTH SESSION**

A bill for an act

relating to education; modifying requirements for charter school boards of directors

S.F. No. 2412

(SENATE AUTHORS: CWODZINSKI and Marty)

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**DATE** 03/13/2025 **OFFICIAL STATUS** D-PG

Introduction and first reading

Referred to Education Policy
Comm report: To pass as amended and re-refer to Elections 03/27/2025

and charter school chief administrators; requiring all local officials and charter 1.3 school officials to file statements of economic interest; including charter school 1.4 officials in the public official gift ban; amending Minnesota Statutes 2024, sections 1.5 10A.071, subdivision 1; 10A.09, subdivision 1; 124E.03, by adding a subdivision; 1.6 124E.07, subdivisions 2, 3, 5. 1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: 1.8 Section 1. Minnesota Statutes 2024, section 10A.071, subdivision 1, is amended to read: 1.9 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section. 1.10 (b) "Gift" means money, real or personal property, a service, a loan, a forbearance or 1.11 forgiveness of indebtedness, or a promise of future employment, that is given and received 1.12 without the giver receiving consideration of equal or greater value in return. 1.13 (c) "Official" means a public official, an employee of the legislature, or a local official, 1.14 a member of a charter school board, or a charter school director or chief administrator. 1.15 (d) "Plaque" means a decorative item with an inscription recognizing an individual for 1.16 an accomplishment. 1.17 Sec. 2. Minnesota Statutes 2024, section 10A.09, subdivision 1, is amended to read: 1.18 Subdivision 1. Time for filing. An individual must file a statement of economic interest: 1.19 1.20 (1) within 60 days of accepting employment as a public official or a local official in a

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metropolitan governmental unit;

(2) within 60 days of accepting employment by a charter school in a position in which 2.1 the person has authority to make or recommend major decisions regarding the expenditure 2.2 2.3 or investment of public money; (2) (3) within 60 days of assuming office as a district court judge, appeals court judge, 2.4 supreme court justice, or county commissioner; 2.5 (3) (4) within 14 days after filing an affidavit of candidacy or petition to appear on the 2.6 ballot for an elective state constitutional or legislative office or an elective local office in a 2.7 metropolitan governmental unit other than county commissioner; 2.8 (5) in the case of an individual running for a charter school board, at least 14 days before 2.9 the election; 2.10 (6) in the case of an initial member of a charter school board, within 14 days of taking 2.11 office; 2.12 (4) (7) in the case of a public official requiring the advice and consent of the senate, 2.13 within 14 days after undertaking the duties of office; or 2.14 (5) (8) in the case of members of the Minnesota Racing Commission, the director of the 2.15 Minnesota Racing Commission, chief of security, medical officer, inspector of pari-mutuels, 2.16 and stewards employed or approved by the commission or persons who fulfill those duties 2.17 under contract, within 60 days of accepting or assuming duties. 2.18 Sec. 3. Minnesota Statutes 2024, section 124E.03, is amended by adding a subdivision to 2.19 read: 2.20 Subd. 11. Statement of economic interest; gift ban. Members of charter school boards 2.21 and persons employed as charter school directors and chief administrators are subject to the 2.22 requirements of sections 10A.071, 10A.09, and 471.895. 2.23 Sec. 4. Minnesota Statutes 2024, section 124E.07, subdivision 2, is amended to read: 2.24 Subd. 2. Ongoing board of directors. The initial board must begin the transition to the 2.25 ongoing board structure by the end of the first year of operation and complete the transition 2.26 by the end of the second year of operation. The terms of board members shall begin on July 2.27 1. Terms shall be no less than two years. The bylaws shall set the number of terms an 2.28 individual may serve on the board and as an officer of the board. Board elections must be 2.29 held during the school year but may not be conducted on days when the school is closed. 2.30

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Sec. 5. Minnesota Statutes 2024, section 124E.07, subdivision 3, is amended to read:

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Subd. 3. **Membership criteria.** (a) The ongoing charter school board of directors shall must have at least five members. The board members must not be related parties. The ongoing board must include: (1) at least one licensed teacher; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member. A community member serving on the board must reside in Minnesota, must not have a child enrolled in the school, and must not be an employee of the charter school.

- (b) To serve as a licensed teacher on a charter school board, an individual must:
- (1) be employed by the school or provide at least 720 hours of service under a contract between the charter school and a teacher cooperative;
- (2) be a qualified teacher as defined under section 122A.16, either serving as a teacher of record in a field in which the individual has a field license, or providing services to students the individual is licensed to provide; and
- (3) not serve in an administrative or supervisory capacity for more than 240 hours in a school calendar year.
- (c) The board structure must be defined in the bylaws. The board structure may (1) be a majority of teachers under paragraph (b), (2) be a majority of parents, (3) be a majority of community members, or (4) have no clear majority.
- (d) The chief administrator may only serve as an ex-officio nonvoting board member. No charter school employees shall serve on the board other than teachers under paragraph (b).
- (e) A contractor providing facilities, goods, or services to a charter school must not serve on the board of directors. In addition, an individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.
- (f) A violation of paragraph (e) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board

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of directors who violates paragraph (e) is individually liable to the charter school for any damage caused by the violation.

- (g) Any employee, agent, contractor, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.
- (h) An individual is prohibited from serving on more than one charter school board at the same time in either an elected or ex-officio capacity, except that an individual serving as an administrator serving more than one school under section 124E.12, subdivision 2, paragraph (f), may serve on each board as an ex-officio member.
- (i) A board member, who is paid for serving on the charter school board, must not receive more compensation for their role as a charter school board member than a school board member in the school district in which the charter school is located.
- Sec. 6. Minnesota Statutes 2024, section 124E.07, subdivision 5, is amended to read:
  - Subd. 5. **Board elections.** (a) Staff members employed at the school, including teachers providing instruction under a contract with a cooperative, members of the board of directors, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors.
  - (b) The board of directors must establish and publish election policies and procedures on the school's website.
  - (c) The board of directors must notify eligible voters of the school board election dates and voting procedures at least 30 calendar days before the election and post this information on the school's website.
- 4.24 (d) The board of directors must notify eligible voters of the candidates' names,
  4.25 biographies, and candidate statements at least ten calendar days before the election and post
  4.26 this information on the school's website.
- 4.27 (e) Board elections must be held during the school year but may not be conducted on
   4.28 days when school is closed.
- 4.29 (f) An initial member and an elected board member must file a written oath of office
   4.30 with the charter school's authorizer.

Sec. 6. 4