## HOUSE RESEARCH

# - Bill Summary :

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## Overview

This bill defines charter management organizations, educational management organizations, and online education service provider; adds new procedures for merging charter schools and transferring authorizers; modifies reporting requirements; and makes technical changes.

#### **Section**

**Definitions.** Adds definitions for certain terms.

"Charter management organization" or "CMO" and "Educational management organization" or "EMO": both a CMO and EMO are organizations that contract with a charter school board of directors to provide, manage, or oversee all or substantially all of the school's educational design or implementation, or the charter school's administrative, financial, business, or operational functions. A CMO is a nonprofit entity that contracts with a charter school board of directors, while an EMO is a for-profit entity.

"Online education service provider" is an organization that provides the online learning management system, virtual learning environment, or online student management system and services for the implementation and operation of the online education program.

- **Authorizer; application content.** Eliminates requirement that an organization applicant provide an assurance that the organization is committed to serving as an authorizer for the full five-year term.
- Merger. Allows a charter school notified that its contract is not being renewed or terminated to merge with another school under certain circumstances.

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#### **Section**

**Ongoing board of directors.** Accelerates by one year the election for an ongoing board of directors. Provides that term of office for board members begins July 1.

- **Membership criteria.** Modifies board of directors membership criteria. Requires board structure to be stated in the school corporation's bylaws.
- **6 Board structure.** Modifies conditions for a board of directors to modify its structure.
- **Training.** Modifies training requirements for board of directors. Prohibits an individual from being seated on the board until certain training is completed, and allows an individual to complete other training within 12 months of being seated. Makes technical changes.
- 8 Causes for nonrenewal or termination of charter school contract. Requires a hearing on nonrenewal or termination of charter school contract to be recorded at the authorizer's expense. The recording must be preserved for three years and made available to the public.
- **School transfer of authorizers.** Creates a new subdivision allowing the authorizer and charter school to mutually nonrenew the contract and providing a process for the transfer of authorizers. Requires the commissioner to determine whether to approve the transfer; commissioner's decision not to approve transfer may result in dissolution of school, under certain circumstances.

Requires the commissioner to develop a transfer of authorizer plan when the commissioner withdraws the authority of the authorizer to authorize schools.

**Admissions requirements and enrollment.** Adds an agent of school to prohibition on charter school distributing services or goods to students or parents, and adds prohibition on distributing payments or other incentives to students or parents.

Modifies conditions in which a student is no longer considered enrolled in the district.

#### 11 Reports.

- **Subd. 1. Audit report.** Modifies documents that a charter school must submit to an auditor.
- **Subd. 2. Annual public reports.** Requires a charter school annual report to include information on management agreements with a CMO, EMO, or online education service provider.
- **Subd. 3. Public accountability and reporting of education management and online education service provider agreements.** Requires a charter school that enters into a management agreement with a CMO, EMO, or online education service provider to publish certain information on its website, and conduct an independent review and evaluation of the services provided by the CMO, EMO, or online education service provider.

Requires management contract with a CMO, EMO, or online education service provider to include certain provisions, including statements of assurance, policies, and protocols.

Provides that a contract with a CMO, EMO, or online education service provider that contains certain terms is null and void.

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### **Section**

- Charter school information. Requires a charter school to document its efforts to 12 disseminate required information in its annual report.
- 13 **Repealer.** Repeals section 124E.10, subdivision 5, which provides procedures for a change in authorizer when a charter school and authorizer mutually nonrenew a contract.