March 19, 2024

Greetings, Chair Pryor and Committee Members.

We are providing this written testimony to share concerns related to HF 3782, specifically the proposed revisions to Sec. 9. Minnesota Statutes 2022, section 124E.10, subdivision 2.

As authorizers, we are supportive of measures to prevent conflicts of interest between schools and authorizing representatives who are responsible for the oversight, evaluation, or decision-making related to the charter schools in the authorizer's portfolio. However, the proposed language extends far beyond those involved in these central authorizing activities, broadening the scope to what we believe is an unrealistic and unreasonable expectation that places an undue burden directly on schools.

As presented, the proposed legislation would require schools to follow a process already in place to protect against these conflicts of interest, but would expand to include people such as an authorizer's website designer or domain host, a lawyer that consults with us on an issue or provides board training, a volunteer who supports the review of a new school application, etc. The proposed language has no limitations on the context of an individual's connection to an authorizer, and would apply to all situations regardless of the service being provided, the monetary value, or the timeline of when a person was connected to an authorizer, regardless of how casual the affiliation.

Additionally, the proposed language reads, any "... board member, employee, contractor, volunteer, or agent of *an* authorizer..." (emphasis added). As written, it seems that these requirements would be applied to any school and any authorizer, meaning that if one authorizer utilizes a specific contractor or vendor, *all* charter schools in the State would need to go through an open bidding process and disclose to the Minnesota Department of Education (MDE) a potential contract or purchase of service from the same contractor or vendor.

While the proposed legislation does not prevent a school from engaging the services from those in question, it does increase the burden placed on schools by requiring that they engage in an open bidding process and disclose the potential contract, lease, or purchase of service to MDE. It is our understanding that the Minnesota Department of Education does not intend to review or otherwise act on any related disclosures, further bringing into question the value or purpose of the proposed requirements.

We urge the Committee to consider and support revisions to the proposed legislation. Our suggestion is to consider revisions that align with existing statutory language found in 124E.07 Subd. 3(c), "...any employee, agent, or board member of the authorizer who participates in the initial review, approval, ongoing oversight, evaluations, or the charter renewal or nonrenewal process or decision..." This language reflects appropriate and responsible preventative measures related to conflicts of interest without creating an unnecessary burden for schools and their leaders.

Thank you for considering our written testimony.

Respectfully submitted,

Laurie Schroeder Board Chair Sawsan Natsheh Executive Director