
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 530 Session of
2015

INTRODUCED BY REESE, CAUSER, DIAMOND, GROVE, KRIEGER, MATZIE,
MILLARD, O'NEILL, SAYLOR, DUNBAR AND MOUL, FEBRUARY 18, 2015

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 18, 2015

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in terms and courses of study,
6 further providing for agreements with institutions of higher
7 education; in opportunities for educational excellence,
8 further providing for definitions and for concurrent
9 enrollment agreements; and extensively revising and adding
10 charter school provisions.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 1525 of the act of March 10, 1949
14 (P.L.30, No.14), known as the Public School Code of 1949, added
15 July 4, 2004 (P.L.536, No.70), is amended to read:

16 Section 1525. Agreements with Institutions of Higher
17 Education.--Notwithstanding any other provision of law to the
18 contrary, a school district, charter school, regional charter
19 school, cyber charter school or area vocational-technical school
20 may enter into an agreement with one or more institutions of
21 higher education approved to operate in this Commonwealth in
22 order to allow [resident] students to attend such institutions

1 of higher education while the [resident] students are enrolled
2 in the school district, charter school, regional charter school,
3 cyber charter school or area vocational-technical school. The
4 agreement may be structured so that high school students may
5 receive credits toward completion of courses at the school
6 district, charter school, regional charter school, cyber charter
7 school or area vocational-technical school and at institutions
8 of higher education approved to operate in this Commonwealth.

9 Section 2. The definitions of "concurrent student" and
10 "school entity" in section 1602-B of the act, added July 13,
11 2005 (P.L.226, No.46), are amended to read:

12 Section 1602-B. Definitions.

13 The following words and phrases when used in this article
14 shall have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 * * *

17 "Concurrent student." A student who is enrolled in a school
18 district, a charter school, a regional charter school, a cyber
19 charter school, an area vocational-technical school, a nonpublic
20 school, a private school or a home education program under
21 section 1327.1 and who takes a concurrent course through a
22 concurrent enrollment program.

23 * * *

24 "School entity." A school district, a charter school, a
25 regional charter school, a cyber charter school or an area
26 vocational-technical school.

27 * * *

28 Section 3. Section 1613-B of the act is amended by adding a
29 subsection to read:

30 Section 1613-B. Concurrent enrollment agreements.

1 * * *

2 (c) Charter schools, regional charter schools and cyber
3 charter schools.--Charter schools, regional charter schools and
4 cyber charter schools shall have the power and authority to
5 enter into a concurrent enrollment agreement with an institution
6 of higher education, and appropriate credit shall be awarded to
7 students concurrently enrolled under the agreement.

8 Section 4. Section 1703-A of the act, amended June 29, 2002
9 (P.L.524, No.88), is amended to read:

10 Section 1703-A. Definitions.--As used in this article,
11 "Administrator" shall include an employe of a charter school
12 entity, including the chief administrator of a charter school
13 entity and any other employe, who by virtue of the employe's
14 position is responsible for taking official action of a
15 nonministerial nature with regard to contracting or procurement,
16 administering or monitoring grants or subsidies, managing or
17 regulating staff, student and school activities or any activity
18 where the official action has an economic impact of greater than
19 a de minimis nature on the interests of any person.

20 "Appeal board" shall mean the State Charter School Appeal
21 Board established by this article.

22 "Assessment" shall mean the Pennsylvania System of School
23 Assessment test, the Keystone Exam or another test established
24 by the State board to meet the requirements of section 2603-
25 B(d)(10)(i) and required under the No Child Left Behind Act of
26 2001 (Public Law 107-110, 115 Stat. 1425) or its successor
27 Federal statute.

28 "At-risk student" shall mean a student at risk of educational
29 failure because of limited English proficiency, poverty,
30 community factors, truancy, academic difficulties or economic

1 disadvantage.

2 "Charter school" shall mean an independent public school
3 established and operated under a charter from the local board of
4 school directors and in which students are enrolled or attend. A
5 charter school must be organized as a public, nonprofit
6 corporation. Charters may not be granted to any for-profit
7 entity.

8 "Charter school entity" shall mean a charter school, regional
9 charter school or cyber charter school.

10 "Charter school foundation" shall mean a nonprofit
11 organization under section 501(c)(3) of the Internal Revenue
12 Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), that
13 provides funding, resources or otherwise serves to support a
14 charter school entity, either directly or through an affiliated
15 entity.

16 "Chief administrator" shall mean an individual appointed by a
17 board of trustees to oversee and manage the operation of a
18 charter school entity. The term shall not include a professional
19 staff member under this article.

20 ["Chief executive officer" shall mean an individual appointed
21 by the board of trustees to oversee and manage the operation of
22 the charter school, but who shall not be deemed a professional
23 staff member under this article.]

24 "Community college" shall mean a community college
25 established under Article XIX-A.

26 "Cyber charter school" shall mean an independent public
27 school established and operated under a charter from the
28 Department of Education and in which the school uses technology,
29 including electronic or digital books, in order to provide a
30 significant portion of its curriculum and to deliver a

1 significant portion of instruction to its students through the
2 Internet or other electronic means. A cyber charter school must
3 be organized as a public, nonprofit corporation. A charter may
4 not be granted to a for-profit entity.

5 "Department" shall mean the Department of Education of the
6 Commonwealth.

7 "Educational management service provider" shall mean a
8 nonprofit charter management organization, for-profit education
9 management organization, school design provider, business
10 manager or any other partner entity with which a board of
11 trustees of a charter school entity contracts to provide
12 educational design, business services, comprehensive management
13 or personnel functions or to implement the charter. The term
14 shall not include a charter school foundation.

15 "Immediate family member" shall mean a parent, spouse, child,
16 brother or sister.

17 "Local board of school directors" shall mean the board of
18 directors, School Reform Commission or other governing authority
19 of a school district in which a proposed or an approved charter
20 school is located.

21 "Nonrelated" shall mean an individual who is not an immediate
22 family member.

23 "Regional charter school" shall mean an independent public
24 school established and operated under a charter from more than
25 one local board of school directors and in which students are
26 enrolled or attend. A regional charter school must be organized
27 as a public, nonprofit corporation. Charters may not be granted
28 to any for-profit entity.

29 "School district of residence" shall mean the school district
30 in this Commonwealth in which [the parents or guardians of a

1 child reside] a child resides as determined under section 1302
2 and 22 Pa. Code § 11.11(a)(1) (relating to entitlement of
3 resident children to attend public schools).

4 "School entity" shall mean a school district, intermediate
5 unit, joint school or area vocational-technical school.

6 "School performance profile" shall mean the Pennsylvania
7 School Performance Profile developed by the department under
8 section 1123.

9 "Secretary" shall mean the Secretary of Education of the
10 Commonwealth.

11 "State board" shall mean the State Board of Education of the
12 Commonwealth.

13 "State System institution" shall mean a member institution of
14 the State System of Higher Education established under Article
15 XX-A.

16 Section 5. The act is amended by adding a section to read:

17 Section 1704-A. Charter School Funding Advisory
18 Commission.--(1) The chairman of the State board shall
19 immediately convene a Statewide advisory commission, to be known
20 as the Charter School Funding Advisory Commission, to examine
21 the financing of charter school entities in the public education
22 system and related issues. The commission shall examine how
23 charter school entity finances affect opportunities for
24 teachers, parents, pupils and community members to establish and
25 maintain schools that operate independently from the existing
26 school district structure as a method to accomplish the
27 requirements of section 1702-A. The department shall provide
28 administrative support, meeting space and any other assistance
29 required by the commission to carry out its duties under this
30 section.

1 (2) The commission shall consist of the following members:

2 (i) Four members of the Senate appointed by the President
3 pro tempore of the Senate, in consultation with the Majority
4 Leader of the Senate and the Minority Leader of the Senate, with
5 two appointees from the majority party and two appointees from
6 the minority party.

7 (ii) Four members of the House of Representatives appointed
8 by the Speaker of the House of Representatives, in consultation
9 with the Majority Leader of the House of Representatives and the
10 Minority Leader of the House of Representatives, with two
11 appointees from the majority party and two appointees from the
12 minority party.

13 (iii) The secretary or a designee.

14 (iv) The chairman of the State board or a designee.

15 (v) To represent the interests of charter school entities,
16 the following members, who shall be appointed by the chairman of
17 the State board, subject to the approval of a majority of the
18 members of the State board:

19 (A) One member who shall represent charter schools.

20 (B) One member who shall represent regional charter schools.

21 (C) One member who shall represent cyber charter schools.

22 (D) One member who shall be a teacher in a charter school
23 entity.

24 (E) One member who shall be a parent of a child attending a
25 charter school entity.

26 (vi) To represent the interests of school districts, the
27 following members, who shall be appointed by the chairman of the
28 State board, subject to the approval of a majority of the
29 members of the State board:

30 (A) One member who shall be a teacher in a public school

1 that is not a charter school entity.

2 (B) One member who shall represent school administrators.

3 (C) Two members who shall represent school board members.

4 (D) One member who shall be a business manager of a school
5 district.

6 (3) Members of the commission shall be appointed within
7 twenty (20) days of the effective date of this section. Any
8 vacancy on the commission shall be filled by the original
9 appointing authority. The commission shall select a chairman and
10 vice chairman from among its membership at an organizational
11 meeting. The organizational meeting shall take place not later
12 than forty-five (45) days following the effective date of this
13 section.

14 (4) The commission shall hold meetings at the call of the
15 chairman. The commission may also hold public hearings on the
16 matters to be considered by the commission at locations
17 throughout this Commonwealth. All meetings and public hearings
18 of the commission shall be deemed public meetings for the
19 purpose of 65 Pa.C.S. Ch. 7 (relating to open meetings). Ten
20 (10) members of the commission shall constitute a quorum at any
21 meeting. Each member of the commission may designate another
22 person to represent that member at meetings of the commission.

23 (5) Commission members shall receive no compensation for
24 their services but shall be reimbursed by the department for all
25 necessary travel and other reasonable expenses incurred in
26 connection with the performance of their duties as members.
27 Whenever possible, the commission shall utilize the services and
28 expertise of existing personnel and staff of State government.
29 The department may utilize undistributed funds not expended,
30 encumbered or committed from appropriations for grants and

1 subsidies made to the department, not to exceed three hundred
2 thousand dollars (\$300,000), to carry out this section.

3 (6) The commission shall have the following powers and
4 duties:

5 (i) Meet with current charter school entity operators and
6 school district personnel.

7 (ii) Review charter school entity financing laws in
8 operation throughout the United States.

9 (iii) Explore the actual cost of educating a child in a
10 cyber charter school.

11 (iv) Evaluate and make recommendations on the following:

12 (A) Consideration of establishing an independent State level
13 board to authorize charter school entities and support charter
14 school quality and accountability through performance monitoring
15 and technical assistance.

16 (B) The process by which charter school entities are funded
17 under section 1725-A, including addressing potential funding
18 inequities, to include consideration of disallowing a school
19 district food services deduction in the case of cyber charter
20 schools that provide food services to their students, and
21 consideration of continuing the school district deduction for
22 cyber charter school tuition costs.

23 (C) Appropriate funding for charter school entity
24 facilities.

25 (D) A process by which the performance matrix established
26 under section 1731.2-A may compare the academic performance of
27 each charter school entity with the academic performance of the
28 school district of residence of each student enrolled in the
29 charter school entity.

30 (v) Issue a report pursuant to paragraph (7).

1 (7) The commission shall, no later than one year from the
2 effective date of this section, issue a report of its findings
3 and recommendations to the Governor, the President pro tempore
4 of the Senate, the Majority Leader of the Senate, the Minority
5 Leader of the Senate, the chairman and minority chairman of the
6 Appropriations Committee of the Senate, the chairman and
7 minority chairman of the Education Committee of the Senate, the
8 Speaker of the House of Representatives, the Majority Leader of
9 the House of Representatives, the Minority Leader of the House
10 of Representatives, the chairman and minority chairman of the
11 Appropriations Committee of the House of Representatives and the
12 chairman and minority chairman of the Education Committee of the
13 House of Representatives. The recommendations of the commission
14 shall not take effect unless the recommendations are approved by
15 an act of the General Assembly enacted after the effective date
16 of this section.

17 Section 6. Section 1715-A of the act, amended or added June
18 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846, No.61), is
19 amended to read:

20 Section 1715-A. Charter School Entity Requirements.--(a)
21 Charter [schools] school entities shall be required to comply
22 with the following provisions:

23 (1) Except as otherwise provided in this article, a charter
24 school entity is exempt from statutory requirements established
25 in this act, from regulations of the State board and the
26 standards of the secretary not specifically applicable to
27 charter [schools] school entities. Charter [schools] school
28 entities are not exempt from statutes applicable to public
29 schools other than this act.

30 (2) A charter school entity shall be accountable to the

1 parents, the public and the Commonwealth, with the delineation
2 of that accountability reflected in the charter. Strategies for
3 meaningful parent and community involvement shall be developed
4 and implemented by each school.

5 (3) A charter school entity shall not unlawfully
6 discriminate in admissions, hiring or operation.

7 (4) A charter school entity shall be nonsectarian in all
8 operations.

9 (5) (i) [A] Subject to subparagraph (ii), a charter school
10 entity shall not provide any religious instruction, nor shall it
11 display religious objects and symbols on the premises of the
12 charter school entity.

13 (ii) It shall not be a violation of this paragraph for a
14 charter school entity to utilize a sectarian facility:

15 (A) if the charter school entity provides for discrete and
16 separate entrances to buildings utilized for school purposes
17 only;

18 (B) if the religious objects and symbols within the portions
19 of the facility utilized by the school are covered or removed to
20 the extent reasonably feasible; or

21 (C) in which the unused portion of the facility or its
22 common areas contain religious symbols and objects.

23 (6) A charter school entity shall not advocate unlawful
24 behavior.

25 (7) A charter school or regional charter school shall only
26 be subject to the laws and regulations as provided for in
27 section 1732-A, or as otherwise provided for in this [article]
28 act.

29 (7.1) A cyber charter school shall only be subject to the
30 laws and regulations as provided for in section 1749-A, or as

1 otherwise provided for in this act.

2 (8) A charter school entity shall participate in [the
3 Pennsylvania State Assessment System as provided for in 22 Pa.
4 Code Ch. 5 (relating to curriculum), or subsequent regulations
5 promulgated to replace 22 Pa. Code Ch. 5,] assessments in the
6 manner in which the school district in which the charter school
7 entity is located is scheduled to participate.

8 (9) A charter school entity shall provide a minimum of one
9 hundred eighty (180) days of instruction or nine hundred (900)
10 hours per year of instruction at the elementary level, or nine
11 hundred ninety (990) hours per year of instruction at the
12 secondary level. Nothing in this clause shall preclude the use
13 of computer and satellite linkages for delivering instruction to
14 students.

15 (10) Boards of trustees and contractors of charter [schools]
16 school entities shall be subject to the following statutory
17 requirements governing construction projects and construction-
18 related work:

19 (i) The following provisions of this act:

20 (A) Sections 751 and 751.1.

21 (B) Sections 756 and 757 insofar as they are consistent with
22 the act of December 20, 1967 (P.L.869, No.385), known as the
23 "Public Works Contractors' Bond Law of 1967."

24 (ii) Section 1 of the act of May 1, 1913 (P.L.155, No.104),
25 entitled "An act regulating the letting of certain contracts for
26 the erection, construction, and alteration of public buildings."

27 (iii) The act of August 11, 1961 (P.L.987, No.442), known as
28 the "Pennsylvania Prevailing Wage Act."

29 (iv) The "Public Works Contractors' Bond Law of 1967."

30 (v) The act of March 3, 1978 (P.L.6, No.3), known as the

1 "Steel Products Procurement Act."

2 (11) Trustees of a charter school entity shall be public
3 officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to
4 ethics standards and financial disclosure) and shall file a
5 statement of financial interests for the preceding calendar year
6 with the State Ethics Commission and either the local board of
7 school directors in the case of a charter school or regional
8 charter school, or the department in the case of a cyber charter
9 school, not later than May 1 of each year that members hold the
10 position and of the year after a member leaves the position. All
11 members of the board of trustees of a charter school entity
12 shall take the oath of office as required under section 321
13 before entering upon the duties of their office.

14 [(12) A person who serves as an administrator for a charter
15 school shall not receive compensation from another charter
16 school or from a company that provides management or other
17 services to another charter school. The term "administrator"
18 shall include the chief executive officer of a charter school
19 and all other employes of a charter school who by virtue of
20 their positions exercise management or operational oversight
21 responsibilities. A person who serves as an administrator for a
22 charter school shall be a public official under 65 Pa.C.S. Ch.
23 11 (relating to ethics standards and financial disclosure). A
24 violation of this clause shall constitute a violation of 65
25 Pa.C.S. § 1103(a) (relating to restricted activities), and the
26 violator shall be subject to the penalties imposed under the
27 jurisdiction of the State Ethics Commission.]

28 (b) An individual who serves as an administrator for a
29 charter school entity shall be a public employe for the purposes
30 of 65 Pa.C.S. Ch. 11 and shall file a statement of financial

1 interests for the preceding calendar year with the board of
2 trustees not later than May 1 of each year that the person holds
3 the position and of the year after the person leaves the
4 position.

5 (c) (1) No individual who serves as an administrator for a
6 charter school entity may receive compensation from another
7 charter school entity or from an educational management service
8 provider, unless:

9 (i) The administrator has submitted a sworn statement to the
10 board of trustees of the charter school entity and the sworn
11 statement details the work for the other entity and includes the
12 projected number of hours, rate of compensation and projected
13 duration.

14 (ii) The board of trustees of the charter school entity has
15 reviewed the sworn statement under subclause (i) and agreed, by
16 resolution, to grant permission to the administrator.

17 (2) A copy of the sworn statement under clause (1)(i) and
18 the resolution by the board of trustees granting the permission
19 under clause (1)(ii) shall be provided to, and kept on file
20 with, the charter school entity and the local board of school
21 directors or, in the case of a cyber charter school, the
22 department.

23 (3) No administrator of a charter school entity or immediate
24 family member of the administrator may serve as a voting member
25 of the board of trustees of the charter school entity that
26 employs the administrator.

27 (4) (i) No administrator of a charter school entity may
28 participate in the selection, award or administration of a
29 contract if the person has a conflict of interest as that term
30 is defined in 65 Pa.C.S. § 1102 (relating to definitions).

1 (ii) An administrator who knowingly violates this clause
2 commits a violation of 65 Pa.C.S. § 1103(a) (relating to
3 restricted activities) and shall be subject to the penalties
4 imposed under the jurisdiction of the State Ethics Commission.

5 (iii) Any contract made in violation of this clause shall be
6 voidable by the board of trustees of the charter school entity.

7 (5) An administrator shall be immediately dismissed upon
8 conviction for an offense graded as a felony, an infamous crime,
9 an offense pertaining to fraud, theft or mismanagement of public
10 funds or any crime involving moral turpitude.

11 Section 7. Section 1716-A(c) of the act, added June 19, 1997
12 (P.L.225, No.22), is amended and the section is amended by
13 adding subsections to read:

14 Section 1716-A. Powers of Board of Trustees.--* * *

15 (b.1) (1) For a charter school or regional charter school
16 chartered after the effective date of this subsection, an
17 individual shall be prohibited from serving as a voting member
18 of the board of trustees of the charter school or regional
19 charter school if the individual or an immediate family member
20 receives compensation from or is employed by or is a member of
21 the local board of school directors who participated in the
22 initial review, approval, oversight, evaluation or renewal
23 process of the charter school or regional charter school
24 chartered by that board.

25 (2) An employe of the school district that chartered a
26 charter school or regional charter school may serve as a member
27 of the board of trustees of the charter school or regional
28 charter school without voting privileges.

29 (b.2) (1) No member of the board of trustees of a charter
30 school entity may participate in the selection, award or

1 administration of any contract if the member has a conflict of
2 interest as that term is defined in 65 Pa.C.S. § 1102 (relating
3 to definitions).

4 (2) Any member of the board of trustees of a charter school
5 entity who in the discharge of the person's official duties
6 would be required to vote on a matter that would result in a
7 conflict of interest shall abstain from voting and follow the
8 procedures required under 65 Pa.C.S. § 1103(j) (relating to
9 restricted activities).

10 (3) A member of the board of trustees of a charter school
11 entity who knowingly violates this subsection commits a
12 violation of 65 Pa.C.S. § 1103(a) and shall be subject to the
13 penalties imposed under the jurisdiction of the State Ethics
14 Commission.

15 (4) A contract made in violation of this subsection shall be
16 voidable by a court of competent jurisdiction, if the suit is
17 commenced within ninety (90) days of the making of the contract.

18 (5) No member of the board of trustees of a charter school
19 entity shall be compensated for duties on the board of trustees.

20 (b.3) A member of the board of trustees of a charter school
21 entity shall be automatically disqualified and immediately
22 removed from the board of trustees upon conviction for an
23 offense graded as a felony, an infamous crime, an offense
24 pertaining to fraud, theft or mismanagement of public funds, any
25 offense pertaining to his official capacity as a member of the
26 board of trustees or any crime involving moral turpitude.

27 (c) The board of trustees shall comply with [the act of July
28 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65
29 Pa.C.S. Ch. 7 (relating to open meetings).

30 (d) (1) (i) The board of trustees of a charter school

1 entity shall consist of a minimum of five (5) nonrelated voting
2 members.

3 (ii) If a charter school entity has fewer than five (5)
4 nonrelated voting members serving on its board of trustees on
5 the effective date of this subsection, the charter school entity
6 shall, within sixty (60) days, appoint additional members to the
7 board of trustees to meet the minimum requirements of this
8 section.

9 (2) Within one (1) year of the effective date of this
10 subsection, at least one member of the board of trustees of a
11 charter school entity shall be a parent of a child currently
12 attending the charter school entity. The board of trustees
13 member required by this paragraph shall be eligible to serve
14 only so long as the child attends the charter school entity.

15 (e) (1) A majority of the voting members of the board of
16 trustees shall constitute a quorum. If less than a majority is
17 present at any meeting, no business may be transacted at the
18 meeting.

19 (2) The affirmative vote of a majority of all the voting
20 members of the board of trustees, duly recorded, shall be
21 required in order to take official action on the subjects
22 enumerated under subsection (a).

23 Section 8. The act is amended by adding a section to read:

24 Section 1716.1-A. Payment of Indebtedness by Charter School
25 Entities.--(a) The board of trustees of a charter school entity
26 shall supply the secretary and, in the case of a charter school
27 or regional charter school, the local board of school directors
28 a list of the amount of rental payments which are guarantees for
29 school building debt or bonds that become due during the fiscal
30 year together with the amount paid on each item of indebtedness.

1 Any charter school entity that elects to issue debt shall hold
2 in escrow an amount sufficient to pay the annual amount of the
3 sum of the principal maturing or subject to mandatory redemption
4 and interest owing by the charter school entity or sinking fund
5 deposit due by the charter school entity.

6 (b) (1) In any case where the board of trustees of a
7 charter school entity fails to pay or to provide for the payment
8 of:

9 (i) any indebtedness at date of maturity or date of
10 mandatory redemption or on any sinking fund deposit date; or

11 (ii) any interest due on such indebtedness on any interest
12 payment date or on any sinking fund deposit date in accordance
13 with the schedule under which the bonds were issued,
14 the bank or trustee for the bonds shall notify the board of
15 trustees of its obligation and shall immediately notify the
16 secretary and, in the case of a charter school or regional
17 charter school, the local board of school directors.

18 (2) The secretary shall withhold any payment due the charter
19 school entity in any amount necessary to fully fund the amount
20 held in escrow by the charter school entity which shall be equal
21 to the sum of the principal amount maturing or subject to
22 mandatory redemption and interest owing by the charter school
23 entity or sinking fund deposit due by the charter school entity
24 and shall require payover of the amount withheld to the bank or
25 trustee acting as the sinking fund depository for the bond issue
26 from the escrow account.

27 Section 9. Sections 1717-A(c), (d), (e) and (f) and 1719-A
28 of the act, added June 19, 1997 (P.L.225, No.22), are amended to
29 read:

30 Section 1717-A. Establishment of Charter School.--* * *

1 (c) An application to establish a charter school shall be
2 submitted to the local board of school directors of the district
3 where the charter school will be located by [November 15]
4 October 1 of the school year preceding the school year in which
5 the charter school will be established except that for a charter
6 school beginning in the 1997-1998 school year, an application
7 must be received by July 15, 1997. In the 1997-1998 school year
8 only, applications shall be limited to recipients of fiscal year
9 1996-1997 Department of Education charter school planning
10 grants.

11 (d) Within forty-five (45) days of receipt of an
12 application, the local board of school directors in which the
13 proposed charter school is to be located shall hold at least one
14 public hearing on the provisions of the charter application,
15 under [the act of July 3, 1986 (P.L.388, No.84), known as the
16 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).
17 At least forty-five (45) days must transpire between the first
18 public hearing and the final decision of the board on the
19 charter application except that for a charter school beginning
20 in the 1997-1998 school year, only thirty (30) days must
21 transpire between the first public hearing and the final
22 decision of the board.

23 (e) (1) Not later than seventy-five (75) days after the
24 first public hearing on the application, the local board of
25 school directors shall grant or deny the application. For a
26 charter school beginning in the 1997-1998 school year, the local
27 board of school directors shall grant or deny the application no
28 later than sixty (60) days after the first public hearing.

29 (2) A charter school application submitted under this
30 article shall be evaluated by the local board of school

1 directors based on criteria, including, but not limited to, the
2 following:

3 (i) The demonstrated, sustainable support for the charter
4 school plan by teachers, parents, other community members and
5 students, including comments received at the public hearing held
6 under subsection (d).

7 (ii) The capability of the charter school applicant, in
8 terms of support and planning, to provide comprehensive learning
9 experiences to students pursuant to the adopted charter.

10 (iii) The extent to which the application considers the
11 information requested in section 1719-A and conforms to the
12 legislative intent outlined in section 1702-A.

13 (iv) The extent to which the charter school may serve as a
14 model for other public schools.

15 (3) The local board of school directors, in the case of an
16 existing school being converted to a charter school, shall
17 establish the alternative arrangements for current students who
18 choose not to attend the charter school.

19 (4) A charter application shall be deemed approved by the
20 local board of school directors of a school district upon
21 affirmative vote by a majority of all the directors. Formal
22 action approving or denying the application shall be taken by
23 the local board of school directors at a public meeting, with
24 notice or consideration of the application given by the board,
25 under [the "Sunshine Act."] 65 Pa.C.S. Ch. 7.

26 (5) Written notice of the board's action shall be sent to
27 the applicant, the department and the appeal board. If the
28 application is denied, the reasons for the denial, including a
29 description of deficiencies in the application, shall be clearly
30 stated in the notice sent by the local board of school directors

1 to the charter school applicant.

2 (f) At the option of the charter school applicant, a denied
3 application may be revised and resubmitted to the local board of
4 school directors. Following the appointment and confirmation of
5 the Charter School Appeal Board under section 1721-A, the
6 decision of the local board of school directors may be appealed
7 to the appeal board. When an application is revised and
8 resubmitted to the local board of school directors, the board
9 may schedule additional public hearings on the revised
10 application. The board shall consider the revised and
11 resubmitted application at the first board meeting occurring at
12 least forty-five (45) days after receipt of the revised
13 application by the board. For a revised application resubmitted
14 for the 1997-1998 school year, the board shall consider the
15 application at the first board meeting occurring at least thirty
16 (30) days after its receipt. The board shall provide notice of
17 consideration of the revised application under [the "Sunshine
18 Act."] 65 Pa.C.S. Ch. 7. No appeal from a decision of a local
19 school board may be taken until July 1, 1999.

20 * * *

21 Section 1719-A. Contents of Application.--[An] (a) The
22 State board, in consultation with the department, shall create a
23 standard application form for charter school applicants seeking
24 to establish a charter school entity and for existing charter
25 school entities seeking renewal of their charters. The form
26 shall be published in the Pennsylvania Bulletin and posted on
27 the State board's publicly accessible Internet website. The form
28 shall include all of the following information:

29 (1) The identification of the charter school applicant.

30 (2) The name of the proposed charter school entity.

1 (3) The grade or age levels served by the school.

2 (4) [The proposed governance structure of the charter
3 school, including a description and method for the appointment
4 or election of members of the board of trustees.] An
5 organization chart clearly presenting the proposed governance
6 structure of the school, including lines of authority and
7 reporting between the board of trustees, administrators, staff
8 and any educational management service provider that will
9 provide management services to the charter school entity.

10 (4.1) A clear description of the roles and responsibilities
11 of the board of trustees, administrators and any other entities,
12 including a charter school foundation, shown in the organization
13 chart.

14 (4.2) A clear description of the method for the appointment
15 or election of members of the board of trustees.

16 (4.3) Standards for board of trustees performance, including
17 compliance with all applicable laws, regulations and terms of
18 the charter.

19 (4.4) If the charter school entity intends to contract with
20 an educational management service provider for services, all of
21 the following:

22 (i) Evidence of the educational management service
23 provider's record in serving student populations, including
24 demonstrated academic achievement and demonstrated management of
25 nonacademic school functions, including proficiency with public
26 school-based accounting, if applicable.

27 (ii) A draft contract stating all of the following:

28 (A) The officers, chief administrator and administrators of
29 the educational management service provider.

30 (B) The proposed duration of the service contract.

1 (C) Roles and responsibilities of the board of trustees, the
2 school staff and the educational management service provider.

3 (D) The scope of services, personnel and resources to be
4 provided by the educational management service provider.

5 (E) Performance evaluation measures and timelines.

6 (F) The compensation structure, including clear
7 identification of all fees to be paid to the educational
8 management service provider.

9 (G) Methods of contract oversight and enforcement.

10 (H) Investment disclosure or the advance of moneys by the
11 educational management service provider on behalf of the charter
12 school entity.

13 (I) Conditions for renewal and termination of the contract.

14 (iii) Disclosure and explanation of any existing or
15 potential conflicts of interest between the members of the board
16 of trustees and the proposed educational management service
17 provider or any affiliated business entities, including a
18 charter school foundation qualified as a support organization
19 under the Internal Revenue Code of 1986 (Public Law 99-514, 26
20 U.S.C. § 1 et seq.).

21 (5) The mission and education goals of the charter school
22 entity, the curriculum to be offered and the methods of
23 assessing whether students are meeting educational goals.

24 (6) The admission policy and criteria for evaluating the
25 admission of students which shall comply with the requirements
26 of section 1723-A.

27 (7) Procedures which will be used regarding the suspension
28 or expulsion of pupils. Said procedures shall comply with
29 section 1318.

30 (8) Information on the manner in which community groups will

1 be involved in the charter school entity planning process.

2 (9) The financial plan for the charter school entity and the
3 provisions which will be made for auditing the school under
4 [section 437] sections 437 and 1728-A, including the role of any
5 charter school foundation.

6 (10) Procedures which shall be established to review
7 complaints of parents regarding the operation of the charter
8 school entity.

9 (11) A description of and address of the physical facility
10 in which the charter school entity will be located and the
11 ownership thereof and any lease arrangements.

12 (12) Information on the proposed school calendar for the
13 charter school entity, including the length of the school day
14 and school year consistent with the provisions of section 1502.

15 (13) The proposed faculty, if already determined, and a
16 professional development and continuing education plan for the
17 faculty and professional staff of [a] the charter school entity.

18 (14) Whether any agreements have been entered into or plans
19 developed with the local school district regarding participation
20 of the charter school entity's students in extracurricular
21 activities within the school district. Notwithstanding any
22 provision to the contrary, no school district of residence shall
23 prohibit a student of a charter school entity from participating
24 in any extracurricular activity of that school district of
25 residence: Provided, That the student is able to fulfill all of
26 the requirements of participation in such activity and the
27 charter school entity does not provide the same extracurricular
28 activity.

29 (15) A report of criminal history record, pursuant to
30 section 111, for all individuals identified in the application

1 who shall have direct contact with students[.] and a plan for
2 satisfying the proper criminal history record clearances
3 required for all other staff.

4 (16) An official clearance statement regarding child injury
5 or abuse from the Department of Public Welfare as required by 23
6 Pa.C.S. Ch. 63 Subch. [C.2 (relating to background checks for
7 employment in schools)] C (relating to powers and duties of
8 department) and section 111 for all individuals identified in
9 the application who shall have direct contact with students[.]
10 and a plan for satisfying the proper official clearance
11 statement regarding child injury or abuse required for all other
12 staff.

13 (17) How the charter school entity will provide adequate
14 liability and other appropriate insurance for the charter school
15 entity, its employes and the board of trustees of the charter
16 school entity.

17 (18) Policies regarding truancy, absences and withdrawal of
18 students, including the manner in which the charter school
19 entity will monitor attendance consistent with section 1715-A(a)
20 (9). The charter school entity's policy shall establish, to the
21 satisfaction of the local board of school directors or, in the
22 case of a cyber charter school, to the satisfaction of the
23 department, that the charter school entity will comply with
24 sections 1332 and 1333, including the institution of truancy
25 proceedings when required under section 1333.

26 (19) How the charter school entity will meet the standards
27 included in the performance matrix developed by the State Board
28 of Education under section 1731.2-A.

29 (20) Indicate whether or not the charter school entity will
30 seek accreditation by a nationally recognized accreditation

1 agency, including the Middle States Association of Colleges and
2 Schools or another regional institutional accrediting agency
3 recognized by the United States Department of Education or an
4 equivalent federally recognized body for charter school
5 education.

6 (b) A local board of school directors may not impose
7 additional terms, develop its own application or require
8 additional information outside the standard application form
9 required under subsection (a).

10 Section 10. Section 1720-A of the act, amended July 9, 2008,
11 (P.L.846, No.61), is amended to read:

12 Section 1720-A. Term and Form of Charter.--(a) (1) Upon
13 approval of a charter application under section 1717-A, a
14 written charter shall be developed which shall contain the
15 provisions of the standardized charter application under section
16 1719-A and which shall be signed by the local board of school
17 directors of a school district, by the local boards of school
18 directors of a school district in the case of a regional charter
19 school or by the chairman of the appeal board pursuant to
20 section [1717-A(i)(5)] 1717-A(i)(9) and the board of trustees of
21 the charter school or regional charter school. This written
22 charter, when duly signed by the local board of school directors
23 of a school district, [or] by the local boards of school
24 directors of a school district in the case of a regional charter
25 school or by the chairman of the appeal board, and the charter
26 school or regional charter school's board of trustees, shall act
27 as legal authorization for the establishment of a charter school
28 or regional charter school. This written charter shall be
29 legally binding on both the local board of school directors of a
30 school district and the charter school or regional charter

1 school's board of trustees. [Except as otherwise provided in
2 subsection (b), the charter shall be for a period of no less
3 than three (3) nor more than five (5) years and may be renewed
4 for five (5) year periods upon reauthorization by the local
5 board of school directors of a school district or the appeal
6 board.] If the charter school or regional charter school
7 contracts with an educational management service provider, a
8 contract shall be executed once the charter is approved. A
9 charter will be granted only for a school organized as a public,
10 nonprofit corporation.

11 (2) The following shall apply to all charters granted by a
12 school district:

13 (i) An initial charter executed pursuant to section
14 1720-A(a)(1) shall be for a period of five (5) years.

15 (ii) Prior to the effective date of the regulations
16 implementing the performance matrix as required pursuant to
17 section 1731.2-A, a charter may be renewed for five (5) year
18 periods upon reauthorization by the local board of school
19 directors or other governing body of a school district or the
20 appeal board.

21 (iii) Upon the effective date of the regulations
22 implementing the performance matrix as required pursuant to
23 section 1731.2-A, the following shall apply:

24 (A) For charter schools and regional charter schools that
25 have satisfied the academic quality benchmark established by the
26 State board pursuant to section 1731.2-A, a charter may be
27 renewed for ten (10) year periods upon reauthorization by the
28 local board of school directors or other governing body of a
29 school district or the appeal board.

30 (B) For charter schools and regional charter schools that

1 have not satisfied the academic quality benchmark established by
2 the State board pursuant to section 1731.2-A, a charter may be
3 renewed for five (5) year periods upon reauthorization by the
4 local board of school directors or other governing body of a
5 school district or the appeal board.

6 [(b) (1) Notwithstanding subsection (a), a governing board
7 of a school district of the first class may renew a charter for
8 a period of one (1) year if the board of school directors
9 determines that there is insufficient data concerning the
10 charter school's academic performance to adequately assess that
11 performance and determines that an additional year of
12 performance data would yield sufficient data to assist the
13 governing board in its decision whether to renew the charter for
14 a period of five (5) years.

15 (2) A one-year renewal pursuant to paragraph (1) shall not
16 be considered an adjudication and may not be appealed to the
17 State Charter School Appeal Board.

18 (3) A governing board of a school district of the first
19 class does not have the authority to renew a charter for
20 successive one (1) year periods.]

21 (c) (1) A charter school or regional charter school may
22 request amendments to its approved written charter by filing a
23 written document describing the requested amendment with the
24 local board of school directors.

25 (2) Within twenty (20) days of its receipt of the request
26 for an amendment, the local board of school directors shall hold
27 a public hearing on the requested amendment under 65 Pa.C.S. Ch.
28 7 (relating to open meetings).

29 (3) Within twenty (20) days after the hearing, the local
30 board of school directors shall grant or deny the requested

1 amendment. Failure by the local board of school directors to
2 hold a public hearing and to grant or deny the amendment within
3 the time period specified in this subsection shall be deemed an
4 approval.

5 (4) An applicant for an amendment shall have the right to
6 appeal the denial of a requested amendment to the appeal board
7 provided for under section 1721-A.

8 Section 11. Section 1721-A(a) and (e) of the act, added June
9 19, 1997 (P.L.225, No.22), are amended to read:

10 Section 1721-A. State Charter School Appeal Board.--(a) The
11 State Charter School Appeal Board shall consist of the Secretary
12 of Education and [six (6)] the following members who shall be
13 appointed by the Governor by and with the consent of a majority
14 of all the members of the Senate. [Appointments by the Governor
15 shall not occur prior to January 1, 1999.] The Governor shall
16 select the chairman of the appeal board to serve at the pleasure
17 of the Governor. The members shall include:

18 (1) A parent of a school-aged child enrolled in a charter
19 school entity.

20 (2) A school board member.

21 (3) A certified teacher actively employed in a public
22 school.

23 (4) A faculty member or administrative employe of an
24 institution of higher education.

25 (5) A member of the business community.

26 (6) A member of the State Board of Education.

27 (7) An administrator of a charter school entity.

28 (8) A member of the board of trustees of a charter school
29 entity.

30 The term of office of members of the appeal board, other than

1 the secretary, shall be for a period of four (4) years or until
2 a successor is appointed and qualified, except that, of the
3 initial appointees, the Governor shall designate two (2) members
4 to serve terms of two (2) years, two (2) members to serve terms
5 of three (3) years and two (2) members to serve terms of four
6 (4) years. A parent member appointed under paragraph (1) shall
7 serve a term of four (4) years, provided the member's child
8 remains enrolled in the charter school entity. Any appointment
9 to fill any vacancy shall be for the period of the unexpired
10 term or until a successor is appointed and qualified.

11 * * *

12 (e) Meetings of the appeal board shall be conducted under
13 [the act of July 3, 1986 (P.L.388, No.84), known as the
14 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).
15 Documents of the appeal board shall be subject to the [act of
16 June 21, 1957 (P.L.390, No.212), referred to as the Right-to-
17 Know Law] act of February 14, 2008 (P.L.6, No.3), known as the
18 "Right-to-Know Law".

19 Section 12. Section 1722-A(a), (b) and (d) of the act,
20 amended November 17, 2010 (P.L.996, No.104), are amended and the
21 section is amended by adding subsections to read:

22 Section 1722-A. Facilities.--(a) A charter school entity
23 may be located in an existing public school building, in a part
24 of an existing public school building, in space provided on a
25 privately owned site, in a public building or in any other
26 suitable location.

27 (b) The charter school entity facility shall be exempt from
28 public school facility regulations except those pertaining to
29 the health or safety of [the pupils] students.

30 (b.1) (1) A charter school entity shall have the right of

1 first refusal to purchase or lease, for educational purposes
2 only, a public school building or a part of a public school
3 building which is no longer in active use by the property
4 titleholder, at the price of one of the following:

5 (i) The last best offer above fair market value received in
6 the ninety (90) days preceding the charter school entity's
7 offer.

8 (ii) Fair market value, if no offer has been received in the
9 ninety (90) days preceding the charter school entity's offer.

10 (iii) Below fair market value, upon the mutual agreement of
11 the school entity and the charter school entity.

12 (2) A school entity shall accept an offer from a charter
13 school entity that conforms to the provisions of paragraph (1).

14 (3) The department shall provide a page on its publicly
15 accessible Internet website on which school entities are
16 required to post a notice for each public school building or
17 part of a public school building that is available for purchase
18 or lease. A school entity shall submit a notice to the
19 department on a form to be developed by the department. The
20 department shall post the notice within five (5) days of
21 receiving the form.

22 (4) The following shall apply to the sale or lease of a
23 public school building or a part of a public school building by
24 a school entity:

25 (i) A school entity may not enter a contract to sell or
26 lease a building or part of a building until at least thirty
27 (30) days after the posting of a notice as required under
28 paragraph (3).

29 (ii) Where two (2) or more charter school entities make
30 offers on the same building or part of a building that conform

1 to the provisions of this subsection, the school entity shall:

2 (A) Accept the first offer, if the offers are equal in
3 dollar amount.

4 (B) Accept the best offer, if the offers differ in dollar
5 amount.

6 (d) Notwithstanding any other provision of this act, a
7 school district [of the first class] may, in its discretion,
8 permit a charter school or regional charter school to operate
9 its school at more than one location.

10 * * *

11 (f) (1) Alcoholic beverages shall not be available for
12 consumption, purchase or sale in any charter school entity
13 facility.

14 (2) If, in the case of a charter school or regional charter
15 school, the local board of school directors reasonably believes
16 that alcoholic beverages have been made available for
17 consumption, purchase or sale in the charter school or regional
18 charter school facility, the local board of school directors
19 shall notify the department.

20 (3) If alcoholic beverages have been made available for
21 consumption, purchase or sale in a charter school entity
22 facility, the secretary shall order the following forfeitures
23 against the charter school entity:

24 (i) A fine of one thousand dollars (\$1,000) for the first
25 violation.

26 (ii) A fine of five thousand dollars (\$5,000) for the second
27 or subsequent violation.

28 (4) The charter school entity may appeal the order of the
29 secretary under 2 Pa.C.S. Chs. 5 (relating to practice and
30 procedure) and 7 (relating to judicial review).

1 Section 13. Section 1723-A(a), (b) and (d) of the act,
2 amended June 26, 1999 (P.L.394, No.36) and July 9, 2008
3 (P.L.846, No.61), are amended and the section is amended by
4 adding a subsection to read:

5 Section 1723-A. [Enrollment] Admission and Enrollment
6 Requirements.--(a) (1) All resident children in this
7 Commonwealth who submit a completed enrollment form in
8 accordance with clause (3) qualify for admission to a charter
9 school entity within the provisions of subsection (b). [If] In
10 the case of a charter school or regional charter school, if more
11 students apply to the charter school or regional charter school
12 than the number of attendance slots available in the school,
13 then students must be selected on a random basis from a pool of
14 [qualified applicants meeting the established eligibility
15 criteria and submitting an application] eligible applicants who
16 have submitted an enrollment form in accordance with clauses (3)
17 and (4) by the deadline established by the charter school or
18 regional charter school, except that the charter school or
19 regional charter school may give preference in enrollment to a
20 child of a parent who has actively participated in the
21 development of the charter school [and] or regional charter
22 school, to siblings of students presently enrolled in the
23 charter school or regional charter school and to siblings of
24 students selected for enrollment during the lottery process.
25 First preference shall be given to students who reside in the
26 district or districts[.] in which the charter school or regional
27 charter school is physically located.

28 (2) If a charter school or regional charter school has a
29 waiting list following its initial selection of eligible
30 applicants under clause (1), the charter school or regional

1 charter school shall select eligible applicants from the waiting
2 list as spaces become available. All children shall be assigned
3 to the waiting list on a random basis. When selecting eligible
4 applicants from the waiting list, a charter school or regional
5 charter school shall give first preference to students as
6 provided under clause (1) and to those who reside in the
7 district or districts in which the charter school or regional
8 charter school is physically located until the charter school or
9 regional charter school again reaches its maximum capacity of
10 students. If a charter school or regional charter school has a
11 waiting list, once the charter school or regional charter school
12 has exhausted the waiting list of resident children, it may then
13 enroll children on the waiting list who reside outside of the
14 district. Nonresident children shall also be selected on a
15 random basis. If a charter school or regional charter school and
16 the school district from which it is authorized have voluntarily
17 capped enrollment or the district attempts to involuntarily cap
18 enrollment of resident students and the charter school or
19 regional charter school has enrolled the maximum number of
20 resident students, the charter school or regional charter school
21 may enroll students residing outside of the district.

22 (3) The State board, in consultation with the department and
23 representatives of charter school entities, shall develop a
24 standard enrollment form that shall be used by all eligible
25 applicants to apply to a charter school entity. The standard
26 enrollment form shall only request information necessary to
27 allow the charter school entity to identify the student, grade
28 level and residency, including:

29 (i) The student's name, physical address, telephone number,
30 age, birth date and current grade level.

1 (ii) The name, physical address, telephone number and e-mail
2 address of the student's parent or guardian.

3 (4) The standard enrollment form shall be made physically
4 available at each charter school entity, in a form that complies
5 with Federal and State law and posted on the publicly accessible
6 Internet website of each charter school entity, if available. A
7 charter school entity may accept the enrollment form via
8 electronic means.

9 (5) When a student applies to a charter school entity, a
10 charter school entity shall not require or request information
11 beyond the contents of the standard enrollment form developed by
12 the State board.

13 (6) Nothing in this section shall prohibit a charter school
14 entity from requesting the submission of additional records and
15 information that public schools are entitled to receive after a
16 student is accepted for admission to a charter school entity.

17 (7) As used in this subsection "eligible applicant" shall
18 mean a student who is seeking to enter a grade level offered by
19 the charter school entity and meets the requirements of 22 Pa.
20 Code §§ 11.12 (relating to school age), 11.13 (relating to
21 compulsory school age), 11.14 (relating to admission to
22 kindergarten when provided), 11.15 (relating to admission of
23 beginners), 11.16 (relating to early admission of beginners) and
24 12.1 (relating to free education and attendance) and student
25 residency requirements.

26 (b) (1) A charter school entity shall not discriminate in
27 its admission policies or practices on the basis of intellectual
28 ability, [except as provided in paragraph (2), or] athletic
29 ability, measures of achievement or aptitude, status as a person
30 with a disability, proficiency in the English language or any

1 other basis that would be illegal if used by a school district.

2 (2) A charter school entity may limit [admission] its
3 academic focus to a particular grade level, a targeted
4 population group composed of at-risk students[, or areas of
5 concentration of the school such as mathematics, science or the
6 arts. A charter school may establish reasonable criteria to
7 evaluate prospective students which shall be outlined in the
8 school's charter.] or a specialized area or accelerated program
9 of study, such as mathematics, science or the arts.

10 * * *

11 (d) (1) Enrollment of students in a charter school [or
12 cyber charter school] entity, or expansion of a charter school
13 entity into additional grade levels, shall not be subject to a
14 cap or otherwise limited by any past or future action of a board
15 of school directors, a board of control established under
16 Article XVII-B, a special board of control established under
17 section 692 or any other governing authority[, unless agreed to
18 by the charter school or cyber charter school as part of a
19 written charter pursuant to section 1720-A].

20 (2) The provisions of this subsection shall apply to a
21 charter school [or cyber charter school] entity regardless of
22 whether the charter was approved prior to or is approved
23 subsequent to the effective date of this subsection.

24 (e) A school district's obligation to make payments for
25 students enrolled in a charter school entity shall be governed
26 by section 1725-A or, in the case of students who are below a
27 school district's age of enrollment, by the terms of any charter
28 or service contract between a school district and a charter
29 school entity. Notwithstanding the above, absent language to the
30 contrary in a charter or service contract between a school

1 district and a charter school entity, a school district shall
2 not be obligated to fund a four-year-old kindergarten program if
3 the school district has exercised its discretion not to offer
4 such a program in its own schools.

5 Section 14. Section 1725-A of the act, amended or added June
6 19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35) and
7 June 29, 2002 (P.L.524, No.88), is amended to read:

8 Section 1725-A. Funding for Charter [Schools] School
9 Entities.--(a) Funding for a charter school entity shall be
10 provided in the following manner:

11 (1) There shall be no tuition charge for a resident or
12 nonresident student attending a charter school entity.

13 (2) [For non-special education students, the charter school
14 shall receive for each student enrolled no less than the
15 budgeted total expenditure per average daily membership of the
16 prior school year, as defined in section 2501(20), minus the
17 budgeted expenditures of the district of residence for nonpublic
18 school programs; adult education programs; community/junior
19 college programs; student transportation services; for special
20 education programs; facilities acquisition, construction and
21 improvement services; and other financing uses, including debt
22 service and fund transfers as provided in the Manual of
23 Accounting and Related Financial Procedures for Pennsylvania
24 School Systems established by the department. This amount shall
25 be paid by the district of residence of each student.] For non-
26 special education students, the charter school entity shall
27 receive for each student enrolled the following, which shall be
28 paid by the school district of residence of each student by
29 deduction and transfer from all State payments due to the school
30 district of residence as provided for under clause (5):

1 (i) Subject to clause (ii), no less than the budgeted total
2 expenditure per average daily membership of the prior school
3 year, as defined in section 2501(20), minus the budgeted
4 expenditures of the district of residence for nonpublic school
5 programs; adult education programs; community/junior college
6 programs; student transportation services; for special education
7 programs; facilities acquisition, construction and improvement
8 services; and other financing uses, including debt service and
9 fund transfers as provided in the Manual of Accounting and
10 Related Financial Procedures for Pennsylvania School Systems
11 established by the department.

12 (ii) Beginning in the 2015-2016 school year, the following:

13 (A) For each student enrolled in a charter school or
14 regional charter school, no less than the budgeted total
15 expenditure per average daily membership of the prior school
16 year, as defined in section 2501(20), minus the budgeted
17 expenditures of the district of residence for nonpublic school
18 programs; adult education programs; community/junior college
19 programs; student transportation services; special education
20 programs; facilities acquisition, construction and improvement
21 services; and other financing uses, including debt service and
22 fund transfers as provided in the Manual of Accounting and
23 Related Financial Procedures for Pennsylvania School Systems
24 established by the department.

25 (B) For each student enrolled in a cyber charter school, no
26 less than the budgeted total expenditure per average daily
27 membership of the prior school year, as defined in section
28 2501(20), minus the following:

29 (I) the budgeted expenditures of the district of residence
30 for nonpublic school programs; adult education programs;

1 community/junior college programs; student transportation
2 services; special education programs; facilities acquisition,
3 construction and improvement services; other financing uses,
4 including debt service and fund transfers as provided in the
5 Manual of Accounting and Related Financial Procedures for
6 Pennsylvania School Systems established by the department; and
7 food services; and

8 (II) during the 2015-2016 and 2016-2017 school years only,
9 the actual total amount the district of residence paid to cyber
10 charter schools under this section for the prior school year.

11 (2.1) The amount under clause (2) shall be calculated by
12 each school district on a form prescribed by the secretary in
13 accordance with this section. The secretary, upon receipt of a
14 school district's calculation, shall review the school
15 district's calculation and may request supporting documentation
16 from the school district regarding its calculation. If the
17 secretary finds an error or discrepancy in a school district's
18 calculation, the secretary shall require the school district to
19 correct the calculation and require the school district to
20 notify affected charter school entities.

21 (3) [For special education students, the charter school
22 shall receive for each student enrolled the same funding as for
23 each non-special education student as provided in clause (2),
24 plus an additional amount determined by dividing the district of
25 residence's total special education expenditure by the product
26 of multiplying the combined percentage of section 2509.5(k)
27 times the district of residence's total average daily membership
28 for the prior school year. This amount shall be paid by the
29 district of residence of each student.] For special education
30 students, the charter school entity shall receive for each

1 student enrolled the same funding as for each non-special
2 education student as provided under clause (2), plus an
3 additional amount determined by dividing the total special
4 education expenditure of the school district of residence by the
5 product of:

6 (i) the combined percentage of section 2509.5(k) applicable
7 to the school year; and

8 (ii) the total average daily membership of the school
9 district of residence for the prior school year.

10 (3.1) The following apply:

11 (i) The amount under clauses (2) and (3) shall be paid by
12 the school district of residence of each student by deduction
13 and transfer from all State payments due to the school district
14 of residence as provided under clause (5).

15 (ii) If a charter school entity disputes the accuracy of a
16 school district's calculation under clauses (2) and (3), the
17 charter school entity shall file a notice of the dispute with
18 the secretary, who shall hold a hearing to determine the
19 accuracy of the school district's calculation within thirty (30)
20 days of the notice.

21 (iii) The secretary shall determine the accuracy of the
22 school district's calculation and make any necessary billing
23 adjustment within thirty (30) days of the hearing.

24 (iv) The school district shall bear the burden of production
25 and proof with respect to its calculation under this clause.

26 (v) The school district shall be liable for the reasonable
27 legal fees incurred by a charter school entity if the charter
28 school entity is the substantially prevailing party after a
29 hearing under this section. The charter school entity shall be
30 liable for the reasonable legal fees incurred by the school

1 district if the school district is the substantially prevailing
2 party after a hearing under this section.

3 (vi) All decisions of the secretary under this clause shall
4 be subject to appellate review by Commonwealth Court.

5 (4) [A charter school may request the intermediate unit in
6 which the charter school is located to provide services to
7 assist the charter school to address the specific needs of
8 exceptional students. The intermediate unit shall assist the
9 charter school and bill the charter school for the services. The
10 intermediate unit may not charge the charter school more for any
11 service than it charges the constituent districts of the
12 intermediate unit.] A charter school entity may request the
13 intermediate unit or school district in which the charter school
14 entity is located to provide services to assist the charter
15 school entity to address the specific needs of non-special
16 education and special education students. The intermediate unit
17 or school district shall assist the charter school entity and
18 bill the charter school entity for the services. The
19 intermediate unit may not charge the charter school entity more
20 for any service than it charges the constituent districts of the
21 intermediate unit. Nothing under this clause shall preclude an
22 intermediate unit or school district from contracting with a
23 charter school entity to provide the intermediate unit or school
24 district with services to assist the intermediate unit or school
25 district to address specific needs of non-special education and
26 special education students.

27 (5) [Payments shall be made to the charter school in twelve
28 (12) equal monthly payments, by the fifth day of each month,
29 within the operating school year. A student enrolled in a
30 charter school shall be included in the average daily membership

1 of the student's district of residence for the purpose of
2 providing basic education funding payments and special education
3 funding pursuant to Article XXV. If a school district fails to
4 make a payment to a charter school as prescribed in this clause,
5 the secretary shall deduct the estimated amount, as documented
6 by the charter school, from any and all State payments made to
7 the district after receipt of documentation from the charter
8 school.] Beginning in the 2015-2016 school year, the following
9 apply:

10 (i) Payments shall be made to the charter school entity in
11 twelve (12) equal monthly payments, according to the established
12 monthly unipay schedule within the operating school year or any
13 subsequent school year.

14 (ii) Except as provided for in subclause (v), payments shall
15 be made directly by the secretary deducting and paying to the
16 charter school entity the estimated amount, as documented by the
17 charter school entity, from:

18 (A) all State payments due to the school district of
19 residence; or

20 (B) if no payments are due to the school district of
21 residence, from all State payments reasonably expected to be due
22 in the next established monthly unipay schedule, after receipt
23 of documentation from the charter school entity as to its
24 enrollment.

25 (iii) At least thirty (30) days prior to the scheduled
26 payment date each month, a charter school entity shall provide
27 to the department and to the school district of residence of
28 each student enrolled in the charter school entity documentation
29 of the charter school entity's enrollment, on a form to be
30 developed by the secretary within sixty (60) days of the

1 effective date of this section. The form, which shall be
2 developed in consultation with representatives of charter school
3 entities and school districts, shall require the charter school
4 entity to provide to the department and to the school district
5 of residence of each student enrolled in the charter school
6 entity, documentation of each student's current enrollment in
7 the charter school entity and current residence in the school
8 district, including the following information:

9 (A) Student's name.

10 (B) Student's home address.

11 (C) Name and telephone number of student's parent or
12 guardian.

13 (D) Student's date of birth.

14 (E) Student's grade level.

15 (F) Type of school in which student was previously enrolled.

16 (G) Student's date of enrollment.

17 (H) Whether each student is being educated under an
18 individualized education plan under the Individuals with
19 Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400
20 et seq.).

21 (I) The tuition amount due on account of each student.

22 (J) The total amount due from the school district for that
23 month.

24 (K) Copies of the actual documents used by the charter
25 school entity to verify each student's residence in the school
26 district.

27 The secretary shall not make payments under this section until
28 the charter school entity provides the department and the school
29 district of residence with a completed form and accompanying
30 documentation as required under this clause. A charter school

1 entity may make only one (1) payment request per month under
2 this clause. After a charter school entity makes a payment
3 request under this clause, any necessary corrections or
4 adjustments may be made in the next subsequent monthly payment
5 request.

6 (iv) The secretary's obligation to make payments under this
7 section is mandatory and ministerial, except that payments made
8 pursuant to this section shall not be given priority over
9 payments required pursuant to sections 633 and 785 and 53
10 Pa.C.S. § 8125(b) (relating to security for tax anticipation
11 notes and sinking fund), or an agreement pursuant to which the
12 Commonwealth is required to make payment to a holder of debt
13 issued by or on behalf of a school entity. If payments required
14 under sections 633 and 785 and 53 Pa.C.S. § 8125(b) preclude the
15 timely payment of funds to a charter school entity under section
16 1725-A or will cause the board of school directors of a school
17 district to fail to pay or provide for payment under this
18 subsection, nothing shall preclude the secretary from
19 withholding funds from any and all State payments made to the
20 school district for the operating school year or for any
21 subsequent operating school year.

22 (v) If there are insufficient State payments due to a school
23 district in the established monthly unipay schedule to cover all
24 charter school entity deductions and transfers, the school
25 district shall be responsible for paying the unpaid balance
26 directly to the charter school entity not more than ten (10)
27 days following the established monthly unipay schedule.

28 (vi) A student enrolled in a charter school entity shall be
29 included in the average daily membership of the student's school
30 district of residence for the purpose of providing basic

1 education funding payments and special education funding under
2 Article XXV.

3 (6) [Within thirty (30) days after the secretary makes the
4 deduction described in clause (5), a school district may notify
5 the secretary that the deduction made from State payments to the
6 district under this subsection is inaccurate. The secretary
7 shall provide the school district with an opportunity to be
8 heard concerning whether the charter school documented that its
9 students were enrolled in the charter school, the period of time
10 during which each student was enrolled, the school district of
11 residence of each student and whether the amounts deducted from
12 the school district were accurate.] The following apply:

13 (i) Within thirty (30) days after the payment is made to the
14 charter school entity as described under clause (5), a school
15 district may notify the secretary that the estimated amount, as
16 documented by the charter school entity, is inaccurate.

17 (ii) Within thirty (30) days of the notice by the school
18 district under subclause (i), the secretary shall provide the
19 school district with a hearing concerning whether the charter
20 school entity documented that students were enrolled in the
21 charter school entity, the period of time during which each
22 student was enrolled in the charter school entity, the school
23 district of residence of each student enrolled in the charter
24 school entity and whether the amounts deducted from or paid by
25 the school district were accurate.

26 (iii) The burden of proof and production at the hearing
27 shall be on the school district. A hearing shall not be held
28 before the secretary deducts and transfers to the charter school
29 entity the amount estimated by the charter school entity.

30 (iv) The secretary shall determine the accuracy of the

1 amount documented by the charter school entity and make any
2 necessary payment adjustment within thirty (30) days of the
3 hearing.

4 (v) The school district shall be liable for the reasonable
5 legal fees incurred by a charter school entity if the charter
6 school entity is the substantially prevailing party after a
7 hearing under this section. The charter school entity shall be
8 liable for the reasonable legal fees incurred by the school
9 district if the school district is the substantially prevailing
10 party after a hearing under this section.

11 (vi) All decisions of the secretary under this section shall
12 be subject to appellate review by Commonwealth Court.

13 (vii) Supersedeas shall not be granted to the secretary or
14 any party to the proceeding on an appeal from the decision of
15 the secretary under this section; and, absent a court order, the
16 secretary shall not hold any payments in escrow.

17 [(b) The Commonwealth shall provide temporary financial
18 assistance to a school district due to the enrollment of
19 students in a charter school who attended a nonpublic school in
20 the prior school year in order to offset the additional costs
21 directly related to the enrollment of those students in a public
22 charter school. The Commonwealth shall pay the school district
23 of residence of a student enrolled in a nonpublic school in the
24 prior school year who is attending a charter school an amount
25 equal to the school district of residence's basic education
26 subsidy for the current school year divided by the district's
27 average daily membership for the prior school year. This payment
28 shall occur only for the first year of the attendance of the
29 student in a charter school, starting with school year 1997-
30 1998. Total payments of temporary financial assistance to school

1 districts on behalf of a student enrolling in a charter school
2 who attended a nonpublic school in the prior school year shall
3 be limited to funds appropriated for this program in a fiscal
4 year. If the total of the amount needed for all students
5 enrolled in a nonpublic school in the prior school year who
6 enroll in a charter school exceeds the appropriation for the
7 temporary financial assistance program, the amount paid to a
8 school district for each qualifying student shall be pro rata
9 reduced. Receipt of funds under this subsection shall not
10 preclude a school district from applying for a grant under
11 subsection (c).

12 (c) The Commonwealth shall create a grant program to provide
13 temporary transitional funding to a school district due to the
14 budgetary impact relating to any student's first-year attendance
15 at a charter school. The department shall develop criteria which
16 shall include, but not be limited to, the overall fiscal impact
17 on the budget of the school district resulting from students of
18 a school district attending a charter school. The criteria shall
19 be published in the Pennsylvania Bulletin. This subsection shall
20 not apply to a public school converted to a charter school under
21 section 1717-A(b). Grants shall be limited to funds appropriated
22 for this purpose.]

23 (d) It shall be lawful for any charter school entity to
24 receive, hold, manage and use, absolutely or in trust, any
25 devise, bequest, grant, endowment, gift or donation of any
26 property, real or personal and/or mixed, which shall be made to
27 the charter school entity for any of the purposes of this
28 article.

29 (e) It shall be unlawful for any trustee of a charter school
30 entity or any board of trustees of a charter school entity or

1 any other person affiliated in any way with a charter school
2 entity to demand or request, directly or indirectly, any gift,
3 donation or contribution of any kind from any parent, teacher,
4 employe or any other person affiliated with the charter school
5 entity as a condition for employment or enrollment and/or
6 continued attendance of any pupil. Any donation, gift or
7 contribution received by a charter school entity shall be given
8 freely and voluntarily.

9 (f) A charter school entity may not provide discounts to a
10 school district or waive payments under this section for any
11 student, except in the case of a school district identified for
12 financial recovery status under Article VI-A.

13 Section 15. Sections 1728-A and 1729-A(a), (b) and (c) of
14 the act, added June 19, 1997 (P.L.225, No.22), are amended to
15 read:

16 Section 1728-A. Annual Reports and Assessments.--(a) (1)
17 The local board of school directors shall annually assess
18 whether each charter school or regional charter school is
19 meeting the goals of its charter and shall conduct a
20 comprehensive review prior to [granting a five (5) year renewal
21 of the charter] renewing the charter pursuant to section 1720-
22 A(a)(2). The local board of school directors shall have ongoing
23 access to the records and facilities of the charter school or
24 regional charter school to ensure that the charter school or
25 regional charter school is in compliance with its charter and
26 this act and that requirements for testing, civil rights and
27 student health and safety are being met.

28 (2) Ongoing access to a charter school's or regional charter
29 school's records shall mean that the local board of school
30 directors shall have access to records such as financial

1 reports, financial audits, aggregate standardized test scores
2 without student-identifying information and teacher
3 certification and personnel records.

4 (3) Charter schools and regional charter schools shall
5 comply fully with the requirements of the Family Educational
6 Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. §
7 1232g) and associated regulations. No personally identifiable
8 information from education records shall be provided by the
9 charter school or regional charter school to the school district
10 except in compliance with the Family Educational Rights and
11 Privacy Act of 1974.

12 (b) In order to facilitate the local board's review and
13 secretary's report, each charter school or regional charter
14 school shall submit an annual report no later than August 1 of
15 each year to the local board of school directors and the
16 secretary in the form prescribed by the secretary.

17 [(c) Five (5) years following the effective date of this
18 article, the secretary shall contract with an independent
19 professional consultant with expertise in public and private
20 education. The consultant shall receive input from members of
21 the educational community and the public on the charter school
22 program. The consultant shall submit a report to the secretary,
23 the Governor and the General Assembly and an evaluation of the
24 charter school program, which shall include a recommendation on
25 the advisability of the continuation, modification, expansion or
26 termination of the program and any recommendations for changes
27 in the structure of the program.]

28 (d) A charter school entity shall form an independent audit
29 committee of its board of trustees members which shall review at
30 the close of each fiscal year a complete certified audit of the

1 operations of the charter school entity. The audit shall be
2 conducted by a qualified independent certified public
3 accountant. The audit shall be conducted under generally
4 accepted audit standards of the Governmental Accounting
5 Standards Board and shall include the following:

6 (1) An enrollment test to verify the accuracy of student
7 enrollment and reporting to the State.

8 (2) Full review of expense reimbursements for board of
9 trustees members and administrators, including sampling of all
10 reimbursements.

11 (3) Review of internal controls, including review of
12 receipts and disbursements.

13 (4) Review of annual Federal and State tax filings,
14 including the Internal Revenue Service Form 990, Return of
15 Organization Exempt from Income Tax and all related schedules
16 and appendices for the charter school entity and charter school
17 foundation, if applicable.

18 (5) Review of the financial statements of any charter school
19 foundation.

20 (6) Review of the selection and acceptance process of all
21 contracts publicly bid pursuant to section 751.

22 (7) Review of all board policies and procedures with regard
23 to internal controls, code of ethics, conflicts of interest,
24 whistle-blower protections, complaints from parents or the
25 public, compliance with 65 Pa.C.S. Ch. 7 (relating to open
26 meetings), finances, budgeting, audits, public bidding and
27 bonding.

28 (e) The certified audit under subsection (d) and the annual
29 budget under subsection (g) are public documents and shall be
30 made available on the charter school entity's publicly

1 accessible Internet website, if available, and, in the case of a
2 charter school or regional charter school, on the school
3 district's publicly accessible Internet website.

4 (f) A charter school entity may be subject to an annual
5 audit by the Auditor General, in addition to any other audits
6 required by Federal law or this article.

7 (g) A charter school entity shall annually provide the
8 department and, in the case of a charter school or regional
9 charter school, shall annually provide the school district, with
10 a copy of the annual budget for the operation of the charter
11 school entity that identifies the following:

12 (1) The source of funding for all expenditures.

13 (2) Where funding is provided by a charter school
14 foundation, the amount of funds and a description of the use of
15 the funds.

16 (3) The salaries of all administrators of the charter school
17 entity.

18 (4) All expenditures to an educational management service
19 provider.

20 (h) (1) Notwithstanding any other provision of law, a
21 charter school entity and any affiliated charter school
22 foundation shall make copies of its annual Federal and State tax
23 filings available upon request and on the charter school
24 entity's or foundation's publicly accessible Internet website,
25 if available, including Internal Revenue Service Form 990,
26 Return of Organization Exempt from Income Tax and all related
27 schedules and appendices.

28 (2) The charter school foundation shall also make copies of
29 its annual budget available upon request and on the foundation's
30 or the charter school entity's publicly accessible Internet

1 website within thirty (30) days of the close of the foundation's
2 fiscal year.

3 (3) The annual budget shall include the salaries of all
4 employees of the charter school foundation.

5 Section 1729-A. Causes for Nonrenewal or Termination.--(a)
6 During the term of the charter or at the end of the term of the
7 charter, the local board of school directors may choose to
8 revoke or not to renew the charter based on any of the
9 following:

10 (1) One or more material violations of any of the
11 conditions, standards or procedures contained in the written
12 charter signed pursuant to section 1720-A.

13 (2) Failure to meet the requirements for student performance
14 [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or
15 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]
16 on assessments or failure to meet any performance standard set
17 forth in the written charter signed pursuant to section [1716-A]
18 1720-A.

19 (3) Failure to meet generally accepted standards of fiscal
20 management or audit requirements.

21 (4) Violation of provisions of this article.

22 (5) Violation of any provision of law from which the charter
23 school entity has not been exempted, including Federal laws and
24 regulations governing children with disabilities.

25 [(6) The charter school has been convicted of fraud.]

26 * * *

27 (b) [A member of the board of trustees who is convicted of a
28 felony or any crime involving moral turpitude shall be
29 immediately disqualified from serving on the board of trustees.]
30 If, after a hearing under this section, a local board of school

1 directors or, in the case of a cyber charter school, the
2 department, proves by a preponderance of the evidence that an
3 administrator or board member of a charter school entity has
4 violated this article, the terms and conditions of the charter
5 or any other law, the local board of school directors or, in the
6 case of a cyber charter school, the department may require the
7 charter school entity to replace an administrator or board of
8 trustees member in order to obtain renewal of the charter. The
9 local board of school directors or, in the case of a cyber
10 charter school, the department may refer its findings to the
11 district attorney with jurisdiction or to the Office of Attorney
12 General for prosecution if the local board of school directors
13 or, in the case of a cyber charter school, the department
14 discovers or receives information about possible violations of
15 law by any person affiliated with or employed by a charter
16 school entity.

17 (c) Any notice of revocation or nonrenewal of a charter
18 given by the local board of school directors of a school
19 district shall state the grounds for such action with reasonable
20 specificity and give reasonable notice to the [governing] board
21 of trustees of the charter school or regional charter school of
22 the date on which a public hearing concerning the revocation or
23 nonrenewal will be held. The local board of school directors
24 shall conduct such hearing, present evidence in support of the
25 grounds for revocation or nonrenewal stated in its notice and
26 give the charter school or regional charter school reasonable
27 opportunity to offer testimony before taking final action.
28 Formal action revoking or not renewing a charter shall be taken
29 by the local board of school directors at a public meeting held
30 pursuant to [the act of July 3, 1986 (P.L.388, No.84), known as

1 the "Sunshine Act,"] 65 Pa.C.S. Ch. 7 (relating to open
2 meetings) after the public has had thirty (30) days to provide
3 comments to the board. All proceedings of the local board
4 pursuant to this subsection shall be subject to 2 Pa.C.S. Ch. 5
5 Subch. B (relating to practice and procedure of local agencies).
6 Except as provided in subsection (d), the decision of the local
7 board shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating
8 to judicial review of local agency action).

9 * * *

10 Section 16. The act is amended by adding sections to read:

11 Section 1729.1-A. Evaluation of Educators.--(a) All
12 applications by a charter school entity for a charter or for the
13 renewal of a charter shall include a system of evaluation for
14 educators that includes:

15 (1) At least four (4) rating categories of educator
16 performance.

17 (2) Multiple measures of student performance which shall
18 include, but may not be limited to, value-added assessment
19 system data made available by the department under section 221
20 and student performance on the most recent assessments for which
21 results have been released by the department and may include
22 goals specific to the mission of the charter school entity's
23 charter.

24 (b) Nothing in this section shall preempt the powers of a
25 board of trustees under section 1716-A(a) nor affect the intent
26 of the General Assembly provided in section 1702-A(3) and (4).

27 (c) For purposes of this section, the term "educator" shall
28 include all professional employes who are certified as teachers
29 and noncertified staff members who teach in a charter school
30 entity.

1 Section 1729.2-A. Multiple Charter School Organizations.--

2 (a) Establishment shall be as follows:

3 (1) Subject to the requirements of this section and 15
4 Pa.C.S. Pt. II Subpt. C (relating to nonprofit corporations),
5 two (2) or more charter schools may consolidate into a multiple
6 charter school organization if both of the following apply:

7 (i) The department approves the consolidation as proposed in
8 the application form submitted to the department pursuant to
9 subsection (c). If the department does not approve the proposed
10 consolidation within forty-five (45) days after receipt of the
11 application, the department will be deemed to have approved the
12 consolidation.

13 (ii) Each school district that granted the initial charter
14 of any charter school included in the proposed consolidation
15 approves, by a majority vote of the local board of school
16 directors, a resolution approving the consolidation as proposed
17 in the application submitted to the local board of school
18 directors pursuant to subsection (c). If a local board of school
19 directors does not adopt a resolution under this clause
20 approving or rejecting the proposed consolidation within forty-
21 five (45) days after receipt of the application, the school
22 district will be deemed to have approved the consolidation.

23 (2) The multiple charter school organization shall be:

24 (i) granted legal authority to operate two (2) or more
25 individual charter schools under the oversight of a single board
26 of trustees and a chief administrator who shall oversee and
27 manage the operation of the individual charter schools under its
28 organization; and

29 (ii) subject to all of the requirements of this article
30 unless otherwise provided for under this section.

1 (3) Nothing under this section shall be construed to affect
2 or change the terms or conditions of any individual charter
3 previously granted that is consolidated under this section.

4 (b) A charter school that, within either of the most recent
5 two (2) school years, has failed to meet any of the following
6 shall not be eligible to consolidate with another charter
7 school:

8 (1) Requirements for student performance set forth in 22 Pa.
9 Code Ch. 4 (relating to academic standards and assessment).

10 (2) Accepted standards of fiscal management or audit
11 requirements.

12 (3) Performance standards set forth by the performance
13 matrix established under section 1731.2-A or, prior to the
14 effective date of the regulations implementing the performance
15 matrix, a School Performance Profile score of at least 80.0;
16 Provided, that a charter school that has failed to meet any of
17 these requirements may consolidate if the consolidation includes
18 a charter school demonstrating that it has satisfied such
19 requirements for the most recent two (2) school years.

20 (c) The State board, in consultation with the department,
21 shall develop and issue a standard application form that
22 multiple charter school organization applicants must submit to
23 the department and to the local board of school directors of
24 each school district that granted the initial charter of any
25 charter school included in the proposed consolidation. The
26 application form shall contain the following information:

27 (1) The name of the multiple charter school organization.

28 (2) The names of the charter schools seeking consolidation
29 under this section.

30 (3) A copy of the approved charter of each charter school

1 seeking to consolidate under this section.

2 (4) An organizational chart clearly presenting the proposed
3 governance structure of the multiple charter school
4 organization, including lines of authority and reporting between
5 the board of trustees, chief administrator, administrators,
6 staff and any educational management service provider that will
7 play a role in providing management services to the charter
8 schools under its jurisdiction.

9 (5) A clear description of the roles and responsibilities
10 for the board of trustees, chief administrator, administrators
11 and any other entities, including a charter school foundation,
12 shown in the organizational chart.

13 (6) A clear description of the method for the appointment or
14 election of members of the board of trustees.

15 (7) Standards for board of trustees performance, including
16 compliance with all applicable laws, regulations and terms of
17 the charter.

18 (8) Enrollment procedures for each individual charter school
19 included in its charter.

20 (9) Any other information as deemed necessary by the State
21 board.

22 (d) A multiple charter school organization may:

23 (1) Participate in the assessment system in the same manner
24 in which a school district participates, with its individual
25 charter schools participating in the assessment system in the
26 same manner as individual schools within school districts. All
27 data gathered for purposes of evaluation shall be gathered in
28 the same manner in which data is gathered in the case of school
29 districts and individual schools within school districts.
30 Nothing in this paragraph shall alter the manner in which

1 charter school performance on assessments is measured as
2 required under the No Child Left Behind Act of 2001 (Public Law
3 107-110, 115 Stat. 1425), or its successor Federal statute.

4 (2) Add existing charter schools to its organization by
5 obtaining the approval of the department and of the school
6 district that granted the initial charter of each charter school
7 proposed to be added under subsection (a) (1).

8 (3) Allow students enrolled in an individual charter school
9 to matriculate to another individual charter school under its
10 oversight so as to complete a course of instruction in an
11 educational institution from kindergarten through grade twelve
12 or otherwise in the best interests of the student.

13 (e) A multiple charter school organization shall be regarded
14 as the holder of the charter of each individual charter school
15 under its oversight and each previously or subsequently awarded
16 charter shall be subject to nonrenewal or revocation by the
17 local board of school directors that granted the initial charter
18 in accordance with this act. The nonrenewal or revocation of the
19 charter of an individual charter school under the oversight of a
20 multiple charter school organization shall not affect the status
21 of a charter awarded for any other individual charter school
22 under the oversight of the multiple charter school organization.

23 (f) Appeals shall be as follows:

24 (1) The appeal board shall have the exclusive review of an
25 appeal by an applicant for consolidation, with respect to the
26 rejection of a proposed consolidation by either the department
27 or a school district.

28 (2) In considering an appeal under this section, the appeal
29 board shall:

30 (i) Review the decision made by either the department or the

1 school district on the record as certified by the entity that
2 made the decision being appealed, provided that the appeal board
3 may allow the department, a school district or the applicant for
4 consolidation to supplement the record if the supplemental
5 information was previously unavailable.

6 (ii) Meet to officially review the certified record no later
7 than thirty (30) days after the date of filing the appeal.

8 (iii) Issue a written decision affirming or denying the
9 appeal no later than sixty (60) days following its review of the
10 certified record.

11 (iv) Make its decision based on whether the proposed
12 consolidation satisfies the requirements of subsections (b) and
13 (c).

14 (3) The secretary shall recuse himself from all appeals of
15 decisions by the department and shall not participate in a
16 hearing, deliberation or vote on any appeal of a decision made
17 by the department.

18 (4) All decisions of the appeal board shall be subject to
19 appellate review by the Commonwealth Court. In the event of an
20 appeal of a decision by the appeal board to the Commonwealth
21 Court, the decision of the appeal board shall be stayed only
22 upon order of the appeal board, the Commonwealth Court or the
23 Pennsylvania Supreme Court.

24 (g) For purposes of this section, the term "charter school"
25 shall include a regional charter school.

26 Section 1731.1-A. Fund Balance Limits.--Fund balance limits
27 shall be as follows:

28 (1) For the 2015-2016 school year and each school year
29 thereafter, a charter school entity shall not accumulate an
30 unassigned fund balance greater than the charter school entity

1 unassigned fund balance limit, which will be determined as
2 follows:

<u>Charter School Entity</u>	<u>Maximum Unassigned Fund</u>
<u>Total Budgeted Expenditures</u>	<u>Balance as Percentage of</u> <u>Total Budgeted Expenditures</u>
<u>Less than or equal to \$11,999,999</u>	<u>12%</u>
<u>Between \$12,000,000 and \$12,999,999</u>	<u>11.5%</u>
<u>Between \$13,000,000 and \$13,999,999</u>	<u>11%</u>
<u>Between \$14,000,000 and \$14,999,999</u>	<u>10.5%</u>
<u>Between \$15,000,000 and \$15,999,999</u>	<u>10%</u>
<u>Between \$16,000,000 and \$16,999,999</u>	<u>9.5%</u>
<u>Between \$17,000,000 and \$17,999,999</u>	<u>9%</u>
<u>Between \$18,000,000 and \$18,999,999</u>	<u>8.5%</u>
<u>Greater Than or Equal to \$19,000,000</u>	<u>8%</u>

15 (2) For the 2015-2016 school year and each school year
16 thereafter, any unassigned fund balance in place on June 30,
17 2016, and on June 30 of each year thereafter in excess of the
18 charter school entity unassigned fund balance limit shall be
19 refunded on a pro rata basis within ninety (90) days to all
20 school districts that paid tuition to the charter school entity
21 in the prior school year, based upon the number of students for
22 whom each school district paid tuition to the charter school
23 entity multiplied by the school district's per student payment
24 under section 1725-A.

25 (3) By September 30, 2016, and by September 30 of each year
26 thereafter, each charter school entity shall provide the
27 department and all school districts that paid tuition to the
28 charter school entity in the prior school year with information
29 certifying compliance with this section. The information shall
30 be provided in a form and manner prescribed by the department

1 and shall include information on the charter school entity's
2 estimated ending unassigned fund balance expressed as a dollar
3 amount and as a percentage of the charter school entity's total
4 budgeted expenditures for that school year.

5 (4) Unassigned funds of the charter school entity in excess
6 of the unassigned fund balance limit may not be used to pay
7 bonuses to any administrator, board of trustees member, employe,
8 staff member or contractor and may not be transferred to a
9 charter school foundation. If a charter school entity uses funds
10 in excess of the unassigned fund balance limit to pay bonuses to
11 any administrator, board of trustees member, employe, staff
12 member or contractor or transfers such funds to a charter school
13 foundation, the value of the bonus payment or fund transfer
14 shall be deducted by the department from the payment due the
15 charter school entity under section 1725-A and shall be refunded
16 on a pro rata basis to all school districts that paid tuition to
17 the charter school entity in the prior school year, based upon
18 the number of students for whom each school district paid
19 tuition to the charter school entity multiplied by the school
20 district's per student payment under section 1725-A.

21 (5) As used in this section, "unassigned fund balance" shall
22 mean that portion of the fund balance of a charter school entity
23 that provides funding or resources or otherwise serves to
24 support the charter school entity that is:

25 (i) available for expenditure or not legally or otherwise
26 segregated for a specific or tentative future use; and

27 (ii) held in the General Fund accounts of the charter school
28 entity.

29 Section 1731.2-A. Performance Matrix.--The following shall
30 apply:

1 (1) Within eighteen (18) months of the effective date of
2 this section, the State board shall develop a standard
3 performance matrix to evaluate charter school entity performance
4 and shall promulgate regulations pursuant to the act of June 25,
5 1982 (P.L.633, No.181), known as the "Regulatory Review Act," to
6 implement this section.

7 (2) The performance matrix may assess performance by
8 utilizing objective criteria, including, but not limited to:
9 student performance on assessments; annual growth as measured by
10 the Pennsylvania Value-Added Assessment System; attendance;
11 attrition rates; graduation rates; other standardized test
12 scores; school safety; parent satisfaction; accreditation by a
13 nationally recognized accreditation agency, including the Middle
14 States Association of Colleges and Schools or another regional
15 institutional accrediting agency recognized by the United States
16 Department of Education or an equivalent federally recognized
17 body for charter school education; and other measures of school
18 quality, including measures for assessing teacher effectiveness.

19 (3) In developing the performance matrix, the State board
20 shall determine an academic quality benchmark the satisfaction
21 of which shall qualify a charter school entity for a ten (10)
22 year renewal term pursuant to section 1720-A(a)(2) or 1745-A(f)
23 (3). The academic quality benchmark shall be included in the
24 regulations required under clause (1).

25 (4) In developing the performance matrix, the State board
26 may:

27 (i) Contract for consulting services with an entity that has
28 experience in developing performance matrices if the services
29 are procured through a competitive bidding process.

30 (ii) To the extent possible, utilize an existing database

1 developed by the department, including the School Performance
2 Profile.

3 (5) Neither the department nor any local board of school
4 directors or other school district governing authority may
5 develop a separate performance matrix for the evaluation of a
6 charter school entity.

7 (6) (i) A local board of school directors or other school
8 district governing authority shall utilize the standard
9 performance matrix as a primary factor in evaluating new and
10 renewal charter school and regional charter school applicants
11 and in annual monitoring and evaluation of charter schools and
12 regional charter schools.

13 (ii) The department shall utilize the standard performance
14 matrix as a primary factor in evaluating new and renewal cyber
15 charter school applicants, in evaluating consolidation
16 applications under section 1729.2-A and in annual monitoring and
17 evaluation of cyber charter schools.

18 (7) (i) In developing the performance matrix and
19 promulgating the regulations required under clause (1), the
20 State board shall convene and consult with a Statewide advisory
21 committee which shall consist of representatives of the
22 department and a minimum of seven (7) representatives from
23 charter schools, regional charter schools, cyber charter schools
24 and school district personnel. Members of the committee shall be
25 selected to be representative of the urban, rural and suburban
26 areas of this Commonwealth.

27 (ii) The Statewide advisory committee required to be
28 convened under subparagraph (i) shall be convened not later than
29 thirty (30) days after the effective date of this section and
30 shall meet regularly to fulfill requirements of this paragraph.

1 (8) The department shall distribute the performance matrix
2 to all school districts and shall publish the matrix on the
3 department's publicly accessible Internet website.

4 Section 17. Section 1732-A of the act, amended or added June
5 19, 1997 (P.L.225, No.22), and June 29, 2002 (P.L.524, No.88),
6 is amended to read:

7 Section 1732-A. Provisions Applicable to Charter Schools and
8 Regional Charter Schools.--(a) Charter schools and regional
9 charter schools shall be subject to the following:

10 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436,
11 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
12 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),
13 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
14 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,
15 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
16 Article XIII-A and Article XIV.

17 (2) Act of July 19, 1957 (P.L.1017, No.451), known as the
18 "State Adverse Interest Act."

19 (3) Act of July 17, 1961 (P.L.776, No.341), known as the
20 "Pennsylvania Fair Educational Opportunities Act."

21 (4) Act of July 19, 1965 (P.L.215, No.116), entitled "An act
22 providing for the use of eye protective devices by persons
23 engaged in hazardous activities or exposed to known dangers in
24 schools, colleges and universities."

25 (5) Section 4 of the act of January 25, 1966 (1965 P.L.1546,
26 No.541), entitled "An act providing scholarships and providing
27 funds to secure Federal funds for qualified students of the
28 Commonwealth of Pennsylvania who need financial assistance to
29 attend postsecondary institutions of higher learning, making an
30 appropriation, and providing for the administration of this

1 act."

2 (6) Act of July 12, 1972 (P.L.765, No.181), entitled "An act
3 relating to drugs and alcohol and their abuse, providing for
4 projects and programs and grants to educational agencies, other
5 public or private agencies, institutions or organizations."

6 (7) Act of December 15, 1986 (P.L.1595, No.175), known as
7 the "Antihazing Law."

8 (8) 65 Pa.C.S. Ch. 7 (relating to open meetings).

9 (9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and
10 financial disclosure).

11 (b) Charter schools and regional charter schools shall be
12 subject to the following provisions of 22 Pa. Code:

13 [Section 5.216 (relating to ESOL).

14 Section 5.4 (relating to general policies).]

15 (1) Chapter 4 (relating to academic standards and
16 assessments).

17 (2) Chapter 11 (relating to pupil attendance).

18 (3) Chapter 12 (relating to students).

19 (4) Section 32.3 (relating to assurances).

20 (5) Section 121.3 (relating to discrimination prohibited).

21 (6) Section 235.4 (relating to practices).

22 (7) Section 235.8 (relating to civil rights).

23 (8) Chapter 711 (relating to charter school services and
24 programs for children with disabilities).

25 (c) (1) The secretary may promulgate additional regulations
26 relating to charter schools and regional charter schools.

27 (2) The secretary shall have the authority and the
28 responsibility to ensure that charter schools and regional
29 charter schools comply with Federal laws and regulations
30 governing children with disabilities. The secretary shall

1 promulgate regulations to implement this provision.

2 Section 18. The act is amended by adding a section to read:

3 Section 1733-A. Effect on Existing Charter School

4 Entities.--(a) Within one (1) year of the effective date of
5 this section, a charter school entity established under section
6 1717-A, 1718-A or 1745-A prior to the effective date of this
7 section shall amend its current charter through the amendment
8 process under section 1720-A(c) or 1745-A(f) (5) as needed to
9 reflect the requirements of this article. Any renewal that takes
10 effect after June 30, 2015, shall be for the term specified
11 under section 1720-A(a) (2) or 1745-A(f) (3).

12 (b) A charter school entity approved after the effective
13 date of this section shall be in full compliance with this
14 article.

15 (c) Within sixty (60) days of the effective date of this
16 section, each charter school entity shall demonstrate, to the
17 satisfaction of the local board of school directors or, in the
18 case of a cyber charter school, to the satisfaction of the
19 department, that the charter school entity is in compliance with
20 sections 1332 and 1333, including the institution of truancy
21 proceedings when required under section 1333.

22 Section 19. Sections 1741-A(c) and 1742-A of the act, added
23 June 29, 2002 (P.L.524, No.88), are amended to read:

24 Section 1741-A. Powers and duties of department.

25 * * *

26 (c) Documents.--Documents of the appeal board shall be
27 subject to the act of [June 21, 1957 (P.L.390, No.212), referred
28 to as the Right-to-Know Law.] act of February 14, 2008 (P.L.6,
29 No.3), known as the "Right-to-Know Law."

30 Section 1742-A. Assessment and evaluation.

1 (a) The department shall:

2 (1) Annually assess whether each cyber charter school is
3 meeting the goals of its charter and is in compliance with
4 the provisions of the charter and conduct a comprehensive
5 review prior to granting a [five-year] renewal of the charter
6 for the period specified in section 1745-A(f)(3).

7 (2) Annually review each cyber charter school's
8 performance on [the Pennsylvania System of School Assessment
9 test, standardized tests and other performance indicators to
10 ensure compliance with 22 Pa. Code Ch. 4 (relating to
11 academic standards and assessment) or subsequent regulations
12 promulgated to replace 22 Pa. Code Ch. 4] assessments.

13 (3) Have ongoing access to all records, instructional
14 materials and student and staff records of each cyber charter
15 school and to every cyber charter school facility to ensure
16 the cyber charter school is in compliance with its charter
17 and this subdivision.

18 (b) School districts, intermediate units, community colleges
19 and State system institutions shall provide a cyber charter
20 school with reasonable access to its facilities for the
21 administration of standardized testing as follows:

22 (1) A cyber charter school shall provide an intermediate
23 unit, school district, community college or State system
24 institution with at least 60 days' notice of the need for
25 facilities to be used for the administration of standardized
26 tests.

27 (2) Within 30 days of the cyber charter school's
28 request, the intermediate unit, school district, community
29 college or State system institution shall notify the cyber
30 charter school of the location of the facilities that will be

1 provided, which shall be a quiet, separate location in which
2 cyber charter school students will not be commingled with
3 students of the intermediate unit, school district, community
4 college or State system institution.

5 (3) An intermediate unit, school district of residence,
6 community college or State system institution shall not be
7 required to make facilities available to a cyber charter
8 school on dates and times that may cause undue interference
9 with the educational programs of the intermediate unit,
10 school district, community college or State System
11 institution.

12 (4) Any facilities rental fee charged to the cyber
13 charter school and the payment thereof shall be in compliance
14 with the facility rental policy of the intermediate unit,
15 school district, community college or State system
16 institution that applies generally to all organizations and
17 community groups.

18 Section 20. Section 1743-A(e) of the act, added June 29,
19 2002 (P.L.524, No.88), is amended to read:

20 Section 1743-A. Cyber charter school requirements and
21 prohibitions.

22 * * *

23 (e) Students.--For each student enrolled, a cyber charter
24 school shall:

25 (1) provide all instructional materials, which may
26 include electronic or digital books in place of textbooks;

27 (2) provide all equipment, including, but not limited
28 to, a computer, computer monitor and printer; provided, that
29 a parent or guardian of more than one child who is enrolled
30 in the same cyber charter school may elect not to receive a

1 separate computer, computer monitor and printer for each
2 enrolled child; and

3 (3) provide or reimburse for all technology and services
4 necessary for the on-line delivery of the curriculum and
5 instruction.

6 The Commonwealth shall not be liable for any reimbursement owed
7 to students, parents or guardians by a cyber charter school
8 under paragraph (3).

9 * * *

10 Section 21. Sections 1744-A, 1745-A and 1749-A(a) and (c) of
11 the act, added June 29, 2002 (P.L.524, No.88), are amended to
12 read:

13 Section 1744-A. School district and intermediate unit
14 responsibilities.

15 An intermediate unit or a school district in which a student
16 enrolled in a cyber charter school resides shall do all of the
17 following:

18 (1) Provide the cyber charter school within ten days of
19 receipt of the notice of the admission of the student under
20 section 1748-A(a) with all records relating to the student,
21 including transcripts, test scores and a copy of any
22 individualized education program for that student.

23 [(2) Provide the cyber charter school with reasonable
24 access to its facilities for the administration of
25 standardized tests required under this subdivision.]

26 (3) Upon request, provide assistance to the cyber
27 charter school in the delivery of services to a student with
28 disabilities. The school district or intermediate unit shall
29 not charge the cyber charter school more for a service than
30 it charges a school district.

1 (4) Make payments to the cyber charter school under
2 section 1725-A.

3 Section 1745-A. Establishment of cyber charter school.

4 (a) Establishment.--A cyber charter school may be
5 established by an individual; one or more teachers who will
6 teach at the proposed cyber charter school; parents or guardians
7 of students who will enroll in the cyber charter school; a
8 nonsectarian college, university or museum located in this
9 Commonwealth; a nonsectarian corporation not-for-profit as
10 defined in 15 Pa.C.S. § 5103 (relating to definitions); a
11 corporation, association or partnership; or any combination of
12 the foregoing. Section 1327.1 shall not apply to a cyber charter
13 school established under this subdivision.

14 (b) Sectarian entities.--No cyber charter school shall be
15 established or funded by and no charter shall be granted to a
16 sectarian school, institution or other entity.

17 (b.1) Local board of school directors or intermediate
18 unit.--

19 (1) A cyber charter school may be established by a local
20 board of school directors or an intermediate unit if the
21 procedures and requirements of this article are satisfied.

22 (2) Nothing in this article shall be construed to
23 preclude a school district or an intermediate unit from
24 offering instruction via the Internet or other electronic
25 means, except that the instruction shall not be recognized as
26 a cyber charter school under this article unless the school
27 district or intermediate unit establishes a cyber charter
28 school pursuant to subsections (a) and (b.1)(1).

29 (c) Attendance.--Attendance at a cyber charter school shall
30 satisfy requirements for compulsory attendance, subject to

1 penalties for violation of compulsory attendance requirements
2 under section 1333.

3 (d) Application.--An application to establish a cyber
4 charter school shall be submitted to the department by October 1
5 of the school year preceding the school year in which the cyber
6 charter school proposes to commence operation.

7 (e) Grant or denial.--Within 120 days of receipt of an
8 application, the department shall grant or deny the application.
9 The department shall review the application and shall hold at
10 least one public hearing under 65 Pa.C.S. Ch. 7 (relating to
11 open meetings). At least 30 days prior to the hearing, the
12 department shall publish in the Pennsylvania Bulletin and on the
13 department's [World Wide Web site] publicly accessible Internet
14 website notice of the hearing and the purpose of the
15 application.

16 (f) Evaluation criteria.--

17 (1) A cyber charter school application submitted under
18 this subdivision shall be evaluated by the department based
19 on the following criteria:

20 (i) The demonstrated, sustainable support for the
21 cyber charter school plan by teachers, parents or
22 guardians and students.

23 (ii) The capability of the cyber charter school
24 applicant, in terms of support and planning, to provide
25 comprehensive learning experiences to students under the
26 charter.

27 (iii) The extent to which the programs outlined in
28 the application will enable students to meet the academic
29 standards under 22 Pa. Code Ch. 4 (relating to academic
30 standards and assessment) or subsequent regulations

1 promulgated to replace 22 Pa. Code Ch. 4.

2 (iv) The extent to which the application meets the
3 requirements of section 1747-A.

4 (v) The extent to which the cyber charter school may
5 serve as a model for other public schools.

6 (2) Written notice of the action of the department shall
7 be sent by certified mail to the applicant and published on
8 the department's [World Wide Web site] publicly accessible
9 Internet website. If the application is denied, the reasons
10 for denial, including a description of deficiencies in the
11 application, shall be clearly stated in the notice.

12 (3) Upon approval of a cyber charter school application,
13 a written charter shall be developed which shall contain the
14 provisions of the charter application and be signed by the
15 secretary and each member of the board of trustees of the
16 cyber charter school. The charter, when duly signed, shall
17 act as legal authorization of the establishment of a cyber
18 charter school. The charter shall be legally binding on the
19 department, the cyber charter school and its board of
20 trustees. The charter [shall be for a period of no less than
21 three years nor more than five years and may be renewed for a
22 period of five years by the department.] term shall be as
23 follows:

24 (i) An initial charter granted pursuant to this
25 section shall be for a period of five years.

26 (ii) Prior to the effective date of the regulations
27 implementing the performance matrix as required pursuant
28 to section 1731.2-A, a charter may be renewed for five-
29 year periods upon reauthorization by the department.

30 (iii) Upon the effective date of the regulations

1 implementing the performance matrix as required pursuant
2 to section 1731.2-A, the following shall apply:

3 (A) For cyber charter schools that have
4 satisfied the academic quality benchmark established
5 by the State board pursuant to section 1731.2-A, a
6 charter may be renewed for ten-year periods upon
7 reauthorization by the department.

8 (B) For cyber charter schools that have not
9 satisfied the academic quality benchmark established
10 by the State board pursuant to section 1731.2-A, a
11 charter may be renewed for five-year periods upon
12 reauthorization by the department.

13 (4) The decision of the department to deny an
14 application may be appealed to the appeal board.

15 (5) (i) A cyber charter school may request amendments
16 to its approved written charter by filing with the
17 department a written document describing the requested
18 amendment.

19 (ii) Within twenty (20) days of its receipt of the
20 request for an amendment, the department shall hold a
21 public hearing on the requested amendment under 65
22 Pa.C.S. Ch. 7 (relating to open meetings).

23 (iii) Within twenty (20) days after the hearing, the
24 department shall grant or deny the requested amendment.
25 Failure by the department to hold a public hearing and to
26 grant or deny the amendment within the time period
27 specified shall be deemed an approval.

28 (iv) An applicant for an amendment shall have the
29 right to appeal the denial of a requested amendment to
30 the appeal board provided for under section 1721-A.

1 (g) Denied application.--A cyber charter school applicant
2 may revise and resubmit a denied application to the department.
3 The department shall grant or deny the revised application
4 within 60 days after its receipt.

5 (h) Appeal.--If the department fails to hold the required
6 public hearing or to approve or disapprove the charter, the
7 applicant may file its application as an appeal to the appeal
8 board. The appeal board shall review the application and make a
9 decision to approve or disapprove the charter based on the
10 criteria in subsection (f).

11 Section 1749-A. Applicability of other provisions of this act
12 and of other acts and regulations.

13 (a) General requirements.--Cyber charter schools shall be
14 subject to the following:

15 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
16 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,
17 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,
18 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
19 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,
20 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-
21 B, 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A,
22 1719-A, 1721-A, 1722-A, [1723-A(a) and (b)] 1723-A(a), (b)
23 and (d), 1724-A, 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and
24 (h), 1729-A, 1729.1-A, 1730-A, 1731-A(a) (1) and (b), 1731.1-
25 A, 1731.2-A, 1733-A and 2014-A and Articles [XII-A,] XIII-A
26 and XIV.

27 (1.1) Act of July 19, 1957 (P.L.1017, No.451), known as
28 the State Adverse Interest Act.

29 (2) The act of July 17, 1961 (P.L.776, No.341), known as
30 the Pennsylvania Fair Educational Opportunities Act.

1 (3) The act of July 19, 1965 (P.L.215, No.116), entitled
2 "An act providing for the use of eye protective devices by
3 persons engaged in hazardous activities or exposed to known
4 dangers in schools, colleges and universities."

5 (4) Section 4 of the act of January 25, 1966 (1965
6 P.L.1546, No.541), entitled "An act providing scholarships
7 and providing funds to secure Federal funds for qualified
8 students of the Commonwealth of Pennsylvania who need
9 financial assistance to attend postsecondary institutions of
10 higher learning, making an appropriation, and providing for
11 the administration of this act."

12 (5) The act of July 12, 1972 (P.L.765, No.181) entitled
13 "An act relating to drugs and alcohol and their abuse,
14 providing for projects and programs and grants to educational
15 agencies, other public or private agencies, institutions or
16 organizations."

17 (6) The act of December 15, 1986 (P.L.1595, No.175),
18 known as the Antihazing Law.

19 (7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

20 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and
21 financial disclosure).

22 * * *

23 (c) Existing charter schools.--

24 (1) The charter of a charter school approved under
25 section 1717-A or 1718-A which provides instruction through
26 the Internet or other electronic means shall remain in effect
27 for the duration of the charter and shall be subject to the
28 provisions of Subdivision (b).

29 (2) In addition to subsections (a) and (b), the
30 following provisions of this subdivision shall apply to a

1 charter school approved under section 1717-A or 1718-A which
2 provides instruction through the Internet or other electronic
3 means:

4 (i) Section 1743-A(c), (d), (e), (f), (g), (h) and
5 (i).

6 (ii) Section 1744-A.

7 (iii) Section 1748-A.

8 Section 22. The addition of section 1725-A(a)(2)(ii)(B)(II)
9 shall expire at the end of the 2016-2017 school year.

10 Section 23. This act shall take effect as follows:

11 (1) The amendment or addition of the following
12 provisions of the act shall take effect immediately:

13 (i) Section 1704-A.

14 (ii) Section 1725-A(a)(1), (2), (2.1), (3) and (4),
15 (b), (c), (d), (e) and (f).

16 (iii) Sections 1731.1-A.

17 (iv) Section 1731.2-A.

18 (v) Section 1732-A.

19 (vi) Section 1749-A.

20 (2) The amendment of section 1725-A(a)(5) and (6) of the
21 act shall take effect in 90 days.

22 (3) This section shall take effect immediately.

23 (4) The remainder of this act shall take effect in 60
24 days.