

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 446 Session of 2007

INTRODUCED BY BEYER, O'NEILL, BELFANTI, BOYD, BUXTON, CAPPELLI, CURRY, GIBBONS, GRUCELA, HESS, KING, LEVDANSKY, MACKERETH, MANN, McILHATTAN, R. MILLER, MUNDY, MUSTIO, PICKETT, RUBLEY, SANTONI, STAIRS, STERN, R. STEVENSON, J. TAYLOR, WATSON, MENSCH, FLECK, BAKER, HANNA, EVERETT AND GOODMAN, FEBRUARY 22, 2007

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 22, 2007

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," amending, adding and deleting  
6 provisions relating to cyber charter schools.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Section 102 of the act of March 10, 1949 (P.L.30,  
10 No.14), known as the Public School Code of 1949, amended  
11 December 23, 2003 (P.L.304, No.48), is amended by adding a  
12 definition to read:

13 Section 102. Definitions.--When used in this act the  
14 following words and phrases shall have the following meanings:

15 \* \* \*

16 "Beginners." Any child that should enter the lowest grade of  
17 the primary school or the lowest primary class above the  
18 kindergarten level.

1       \* \* \*

2       Section 2. Section 1304 of the act, amended January 14, 1970  
3 (1969 P.L.468, No.192), is amended to read:

4       Section 1304. Admission of Beginners.--The admission of  
5 beginners to the public schools shall be confined to the first  
6 two weeks of the annual school term in districts operating on an  
7 annual promotion basis, and to the first two weeks of either the  
8 first or the second semester of the school term in districts  
9 operating on a semi-annual promotion basis. Admission shall be  
10 limited to beginners who have attained the age of five years and  
11 seven months before the first day of September if they are to be  
12 admitted in the fall, and to those who have attained the age of  
13 five years and seven months before the first day of February if  
14 they are to be admitted at the beginning of the second semester.  
15 The board of school directors of any school district may admit  
16 beginners who are less than five years and seven months of age,  
17 in accordance with standards prescribed by the State Board of  
18 Education. The board of school directors may refuse to accept or  
19 retain beginners who have not attained a mental age of five  
20 years, as determined by the supervisor of special education or a  
21 properly certificated public school psychologist in accordance  
22 with standards prescribed by the State Board of Education.

23       [The term "beginners," as used in this section, shall mean  
24 any child that should enter the lowest grade of the primary  
25 school or the lowest primary class above the kindergarten  
26 level.]

27       Section 3. Section 1725-A of the act, amended or added June  
28 19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35) and  
29 June 29, 2002 (P.L.524, No.88), is amended to read:

30       Section 1725-A. Funding for Charter Schools.--(a) Funding

1 for a charter school established under this article shall be  
2 provided in the following manner:

3 (1) There shall be no tuition charge for a resident or  
4 nonresident student attending a charter school.

5 (2) For non-special education students, the charter school  
6 shall receive for each student enrolled no less than the  
7 budgeted total expenditure per average daily membership of the  
8 prior school year, as defined in section 2501(20), minus the  
9 budgeted expenditures of the district of residence for nonpublic  
10 school programs; adult education programs; community/junior  
11 college programs; student transportation services; for special  
12 education programs; facilities acquisition, construction and  
13 improvement services; and other financing uses, including debt  
14 service and fund transfers as provided in the Manual of  
15 Accounting and Related Financial Procedures for Pennsylvania  
16 School Systems established by the department. This amount shall  
17 be paid by the district of residence of each student.

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

27 (4) A charter school may request the intermediate unit in  
28 which the charter school is located to provide services to  
29 assist the charter school to address the specific needs of  
30 exceptional students. The intermediate unit shall assist the

1 charter school and bill the charter school for the services. The  
2 intermediate unit may not charge the charter school more for any  
3 service than it charges the constituent districts of the  
4 intermediate unit.

5 (5) Payments shall be made to the charter school in twelve  
6 (12) equal monthly payments, by the fifth day of each month,  
7 within the operating school year. A student enrolled in a  
8 charter school shall be included in the average daily membership  
9 of the student's district of residence for the purpose of  
10 providing basic education funding payments and special education  
11 funding pursuant to Article XXV. If a school district fails to  
12 make a payment to a charter school as prescribed in this clause,  
13 the secretary shall deduct the estimated amount, as documented  
14 by the charter school, from any and all State payments made to  
15 the district after receipt of documentation from the charter  
16 school.

17 (6) Within thirty (30) days after the secretary makes the  
18 deduction described in clause (5), a school district may notify  
19 the secretary that the deduction made from State payments to the  
20 district under this subsection is inaccurate. The secretary  
21 shall provide the school district with an opportunity to be  
22 heard concerning whether the charter school documented that its  
23 students were enrolled in the charter school, the period of time  
24 during which each student was enrolled, the school district of  
25 residence of each student and whether the amounts deducted from  
26 the school district were accurate.

27 (7) A school district shall not be required to provide per  
28 pupil funding to charter schools for any student who does not  
29 meet the minimum requirement for the age of beginners  
30 established by the board of school directors in the student's

1 school district of residence.

2 (b) The Commonwealth shall provide temporary financial  
3 assistance to a school district due to the enrollment of  
4 students in a charter school established under this article who  
5 attended a nonpublic school in the prior school year in order to  
6 offset the additional costs directly related to the enrollment  
7 of those students in a public charter school. The Commonwealth  
8 shall pay the school district of residence of a student enrolled  
9 in a nonpublic school in the prior school year who is attending  
10 a charter school an amount equal to the school district of  
11 residence's basic education subsidy for the current school year  
12 divided by the district's average daily membership for the prior  
13 school year. This payment shall occur only for the first year of  
14 the attendance of the student in a charter school, starting with  
15 school year 1997-1998. Total payments of temporary financial  
16 assistance to school districts on behalf of a student enrolling  
17 in a charter school who attended a nonpublic school in the prior  
18 school year shall be limited to funds appropriated for this  
19 program in a fiscal year. If the total of the amount needed for  
20 all students enrolled in a nonpublic school in the prior school  
21 year who enroll in a charter school exceeds the appropriation  
22 for the temporary financial assistance program, the amount paid  
23 to a school district for each qualifying student shall be pro  
24 rata reduced. Receipt of funds under this subsection shall not  
25 preclude a school district from applying for a grant under  
26 subsection (c).

27 (c) The Commonwealth shall create a grant program to provide  
28 temporary transitional funding to a school district due to the  
29 budgetary impact relating to any student's first-year attendance  
30 at a charter school established under this article. The

1 department shall develop criteria which shall include, but not  
2 be limited to, the overall fiscal impact on the budget of the  
3 school district resulting from students of a school district  
4 attending a charter school. The criteria shall be published in  
5 the Pennsylvania Bulletin. This subsection shall not apply to a  
6 public school converted to a charter school under section 1717-  
7 A(b). Grants shall be limited to funds appropriated for this  
8 purpose.

9 (d) It shall be lawful for any charter school established  
10 under this article to receive, hold, manage and use, absolutely  
11 or in trust, any devise, bequest, grant, endowment, gift or  
12 donation of any property, real or personal and/or mixed, which  
13 shall be made to the charter school for any of the purposes of  
14 this article.

15 (e) It shall be unlawful for any trustee of a charter school  
16 or any board of trustees of a charter school or any other person  
17 affiliated in any way with a charter school to demand or  
18 request, directly or indirectly, any gift, donation or  
19 contribution of any kind from any parent, teacher, employe or  
20 any other person affiliated with the charter school as a  
21 condition for employment or enrollment and/or continued  
22 attendance of any pupil. Any donation, gift or contribution  
23 received by a charter school shall be given freely and  
24 voluntarily.

25 Section 4. Sections 1741-A, 1742-A, 1743-A, 1744-A, 1745-A,  
26 1746-A, 1747-A, 1748-A, 1749-A, 1750-A and 1751-A of the act,  
27 added June 29, 2002 (P.L.524, No.88), are repealed:  
28 [Section 1741-A. Powers and duties of department.

29 (a) Powers and duties.--The department shall:

30 (1) Receive, review and act on applications for the

1 creation of a cyber charter school and have the power to  
2 request further information from applicants, obtain input  
3 from interested persons or entities and hold hearings  
4 regarding applications.

5 (2) Renew the charter of cyber charter school and renew  
6 the charter of a charter school approved under section 1717-A  
7 or 1718-A which provides instruction through the Internet or  
8 other electronic means. Upon renewal of a charter of a  
9 charter school approved under section 1717-A or 1718-A, the  
10 charter school shall qualify as a cyber charter school under  
11 this subdivision and shall be subject to the provisions of  
12 this subdivision.

13 (3) Revoke or deny renewal of a cyber charter school's  
14 charter under the provisions of section 1729-A.

15 (i) Notwithstanding the provisions of section 1729-  
16 A(i), when the department has revoked or denied renewal  
17 of a charter, the cyber charter school shall be  
18 dissolved. After the disposition of the liabilities and  
19 obligations of the cyber charter school, any remaining  
20 assets of the cyber charter school shall be given over to  
21 the intermediate unit in which the cyber charter school's  
22 administrative office was located for distribution to the  
23 school districts in which the students enrolled in the  
24 cyber charter school reside at the time of dissolution.

25 (ii) Notwithstanding any laws to the contrary, the  
26 department may, after notice and hearing, take immediate  
27 action to revoke a charter if:

28 (A) a material component of the student's  
29 education as required under this subdivision is not  
30 being provided; or

1 (B) the cyber charter school has failed to  
2 maintain the financial ability to provide services as  
3 required under this subdivision.

4 (4) Execute charters after approval.

5 (5) Develop forms, including the notification form under  
6 section 1748-A(b), necessary to carry out the provisions of  
7 this subdivision.

8 (b) Hearings.--Hearings conducted by the department shall be  
9 conducted under 65 Pa.C.S. Ch. 7 (relating to open meetings).

10 (c) Documents.--Documents of the appeal board shall be  
11 subject to the act of June 21, 1957 (P.L.390, No.212), referred  
12 to as the Right-to-Know Law.

13 Section 1742-A. Assessment and evaluation.

14 The department shall:

15 (1) Annually assess whether each cyber charter school is  
16 meeting the goals of its charter and is in compliance with  
17 the provisions of the charter and conduct a comprehensive  
18 review prior to granting a five-year renewal of the charter.

19 (2) Annually review each cyber charter school's  
20 performance on the Pennsylvania System of School Assessment  
21 test, standardized tests and other performance indicators to  
22 ensure compliance with 22 Pa. Code Ch. 4 (relating to  
23 academic standards and assessment) or subsequent regulations  
24 promulgated to replace 22 Pa. Code Ch. 4.

25 (3) Have ongoing access to all records, instructional  
26 materials and student and staff records of each cyber charter  
27 school and to every cyber charter school facility to ensure  
28 the cyber charter school is in compliance with its charter  
29 and this subdivision.

30 Section 1743-A. Cyber charter school requirements and



prohibitions.

(a) Special financial requirements prohibited.--A cyber charter school shall not:

(1) provide discounts to a school district or waive payments under section 1725-A for any student;

(2) except as provided for in subsection (e), provide payments to parents or guardians for the purchase of instructional materials; or

(3) except as compensation for the provision of specific services, enter into agreements to provide funds to a school entity.

(b) Enrollment.--A cyber charter school shall report to the department an increase or a decrease of 30% or more in its anticipated enrollment set forth in the application under section 1747-A(11).

(c) School district.--A cyber charter school shall make available upon request, either in writing or electronically, to each student's school district of residence the following:

(1) A copy of the charter.

(2) A copy of the cyber charter school application.

(3) A copy of all annual reports prepared by the cyber charter school.

(4) A list of all students from that school district enrolled in the cyber charter school.

(d) Parent or guardian.--Upon request and prior to the student's first day in a cyber charter school, the cyber charter school shall, either in writing or electronically, provide to the parent or guardian of a student the following:

(1) A list and brief description of the courses of instruction the student will receive. The list shall be

1 updated annually for each grade level in which the student is  
2 enrolled.

3 (2) A description of the lessons and activities to be  
4 offered both online and offline.

5 (3) The manner in which attendance will be reported and  
6 work will be authenticated.

7 (4) A list of all standardized tests the student will be  
8 required to take during the school year and the place where  
9 the test will be administered, if available.

10 (5) The meetings to be held during the school year  
11 between a parent or guardian and a teacher and among other  
12 school officials or parents or guardians and the manner in  
13 which the parent or guardian will be notified of the time and  
14 place for the meeting.

15 (6) The address of the cyber charter school and the  
16 name, telephone number and e-mail address of the school  
17 administrator and other school personnel.

18 (7) A list of any extracurricular activities provided by  
19 the cyber charter school.

20 (8) The names of the student's teachers, if available,  
21 and the manner in which each teacher can be contacted by the  
22 student or the parent or guardian.

23 (9) A list of all services that will be provided to the  
24 student by the cyber charter school.

25 (10) Copies of policies relating to computer security  
26 and privacy, truancy, absences, discipline and withdrawal or  
27 expulsion of students.

28 (11) Information on:

29 (i) The cyber charter school's professional staff,  
30 including the number of staff personnel, their education

1 level and experience.

2 (ii) The cyber charter school's performance on the  
3 PSSA and other standardized test scores.

4 (12) Information regarding the proper usage of equipment  
5 and materials and the process for returning equipment and  
6 materials supplied to the students by the cyber charter  
7 school. A parent or guardian shall acknowledge, either in  
8 writing or electronically, the receipt of this information.

9 (13) A description of the school calendar, including,  
10 but not limited to, the time frame that will constitute a  
11 school year and a school week, holidays and term breaks.

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

14 (1) provide all instructional materials;

15 (2) provide all equipment, including, but not limited  
16 to, a computer, computer monitor and printer; and

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

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

23 (f) Annual report.--A cyber charter school shall submit an  
24 annual report no later than August 1 of each year to the  
25 department in the form prescribed by the department.

26 (g) Records and facilities.--A cyber charter school shall  
27 provide the department with ongoing access to all records and  
28 facilities necessary for the department to assess the cyber  
29 charter school in accordance with the provisions of this  
30 subdivision.



1 section 1748-A(a) with all records relating to the student,  
2 including transcripts, test scores and a copy of any  
3 individualized education program for that student.

4 (2) Provide the cyber charter school with reasonable  
5 access to its facilities for the administration of  
6 standardized tests required under this subdivision.

7 (3) Upon request, provide assistance to the cyber  
8 charter school in the delivery of services to a student with  
9 disabilities. The school district or intermediate unit shall  
10 not charge the cyber charter school more for a service than  
11 it charges a school district.

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

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

15 (a) Establishment.--A cyber charter school may be  
16 established by an individual; one or more teachers who will  
17 teach at the proposed cyber charter school; parents or guardians  
18 of students who will enroll in the cyber charter school; a  
19 nonsectarian college, university or museum located in this  
20 Commonwealth; a nonsectarian corporation not-for-profit as  
21 defined in 15 Pa.C.S. § 5103 (relating to definitions); a  
22 corporation, association or partnership; or any combination of  
23 the foregoing. Section 1327.1 shall not apply to a cyber charter  
24 school established under this subdivision.

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

28 (c) Attendance.--Attendance at a cyber charter school shall  
29 satisfy requirements for compulsory attendance.

30 (d) Application.--An application to establish a cyber

1 charter school shall be submitted to the department by October 1  
2 of the school year preceding the school year in which the cyber  
3 charter school proposes to commence operation.

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

12 (f) Evaluation criteria.--

13 (1) A cyber charter school application submitted under  
14 this subdivision shall be evaluated by the department based  
15 on the following criteria:

16 (i) The demonstrated, sustainable support for the  
17 cyber charter school plan by teachers, parents or  
18 guardians and students.

19 (ii) The capability of the cyber charter school  
20 applicant, in terms of support and planning, to provide  
21 comprehensive learning experiences to students under the  
22 charter.

23 (iii) The extent to which the programs outlined in  
24 the application will enable students to meet the academic  
25 standards under 22 Pa. Code Ch. 4 (relating to academic  
26 standards and assessment) or subsequent regulations  
27 promulgated to replace 22 Pa. Code Ch. 4.

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

30 (v) The extent to which the cyber charter school may

1           serve as a model for other public schools.

2           (2) Written notice of the action of the department shall  
3       be sent by certified mail to the applicant and published on  
4       the department's World Wide Web site. If the application is  
5       denied, the reasons for denial, including a description of  
6       deficiencies in the application, shall be clearly stated in  
7       the notice.

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

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

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

25      (h) Appeal.--If the department fails to hold the required  
26      public hearing or to approve or disapprove the charter, the  
27      applicant may file its application as an appeal to the appeal  
28      board. The appeal board shall review the application and make a  
29      decision to approve or disapprove the charter based on the  
30      criteria in subsection (f).

1 Section 1746-A. State Charter School Appeal Board review.

2 (a) Jurisdiction.--The appeal board shall have the exclusive  
3 review of an appeal by a cyber charter school applicant or by  
4 the board of trustees of a cyber charter school on the decisions  
5 of the department, including:

6 (1) The denial of an application for a charter.

7 (2) The denial of a renewal of a charter.

8 (3) The revocation of a charter.

9 (4) An appeal under section 1745-A(h).

10 (b) Procedure.--The appeal board shall:

11 (1) Review the decision made by the department under  
12 subsection (a) on the record as certified by the department.  
13 The secretary shall recuse himself from all cyber charter  
14 school appeals and shall not participate in a hearing,  
15 deliberation or vote on a cyber charter school appeal. The  
16 appeal board may allow the department, the cyber charter  
17 school applicant or the board of trustees of a cyber charter  
18 school to supplement the record if the supplemental  
19 information was previously unavailable.

20 (2) Meet to officially review the certified record no  
21 later than 30 days after the date of filing the appeal.

22 (3) Issue a written decision affirming or denying the  
23 appeal no later than 60 days following its review.

24 (4) In the case of a decision by the department to deny  
25 a cyber charter application, make its decision based on  
26 section 1745-A(f)(1). A decision by the appeal board to  
27 reverse the decision of the department and grant a charter  
28 shall serve as a requirement for the secretary to sign the  
29 written charter of the cyber charter school.

30 (5) In the case of a decision by the department to



1       revoke or deny renewal of a cyber school charter in  
2       accordance with section 1741-A(a)(3), make its decision based  
3       on section 1729-A(a). A decision of the appeal board to  
4       reverse the decision of the department to not revoke or deny  
5       renewal of a charter shall serve as a requirement of the  
6       department to not revoke or to not deny renewal of the  
7       charter of the cyber charter school.

8       (c) Stay.--If the department appeals the decision of the  
9       appeal board, the appeal board's decision shall be stayed only  
10      upon order of the appeal board, the Commonwealth Court or the  
11      Pennsylvania Supreme Court.

12      (d) Review.--All decisions of the appeal board shall be  
13      subject to appellate review by the Commonwealth Court.

14      Section 1747-A. Cyber charter school application.

15      In addition to the provisions of section 1719-A, an  
16      application to establish a cyber charter school shall also  
17      include the following:

18           (1) The curriculum to be offered and how it meets the  
19           requirements of 22 Pa. Code Ch. 4 (relating to academic  
20           standards and assessment) or subsequent regulations  
21           promulgated to replace 22 Pa. Code Ch. 4.

22           (2) The number of courses required for elementary and  
23           secondary students.

24           (3) An explanation of the amount of on-line time  
25           required for elementary and secondary students.

26           (4) The manner in which teachers will deliver  
27           instruction, assess academic progress and communicate with  
28           students to provide assistance.

29           (5) A specific explanation of any cooperative learning  
30           opportunities, meetings with students, parents and guardians,

1 field trips or study sessions.

2 (6) The technology, including types of hardware and  
3 software, equipment and other materials which will be  
4 provided by the cyber charter school to the student.

5 (7) A description of how the cyber charter school will  
6 define and monitor a student's school day, including the  
7 delineation of on-line and off-line time.

8 (8) A description of commercially prepared standardized  
9 achievement tests that will be used by the cyber charter  
10 school in addition to the Pennsylvania System of School  
11 Assessment test, including the grade levels that will be  
12 tested and how the data collected from the tests will be used  
13 to improve instruction.

14 (9) The technical support that will be available to  
15 students and parents or guardians.

16 (10) The privacy and security measures to ensure the  
17 confidentiality of data gathered online.

18 (11) The level of anticipated enrollment during each  
19 school year of the proposed charter, including expected  
20 increases due to the addition of grade levels.

21 (12) The methods to be used to insure the authenticity  
22 of student work and adequate proctoring of examinations.

23 (13) The provision of education and related services to  
24 students with disabilities, including evaluation and the  
25 development and revision of individualized education  
26 programs.

27 (14) Policies regarding truancy, absences and withdrawal  
28 of students, including the manner in which the cyber charter  
29 school will monitor attendance consistent with the provisions  
30 of section 1715-A(9).

1           (15) The types and frequency of communication between  
2 the cyber charter school and the student and the manner in  
3 which the cyber charter school will communicate with parents  
4 and guardians.

5           (16) The addresses of all facilities and offices of the  
6 cyber charter school, the ownership thereof and any lease  
7 arrangements.

8 Section 1748-A. Enrollment and notification.

9       (a) Notice to school district.--

10           (1) Within 15 days of the enrollment of a student to a  
11 cyber charter school, the parent or guardian and the cyber  
12 charter school shall notify the student's school district of  
13 residence of the enrollment through the use of the  
14 notification form under subsection (b).

15           (2) If a school district which has received notice under  
16 paragraph (1) determines that a student is not a resident of  
17 the school district, the following apply:

18               (i) Within seven days of receipt of the notice under  
19 paragraph (1), the school district shall notify the cyber  
20 charter school and the department that the student is not  
21 a resident of the school district. Notification of  
22 nonresidence shall include the basis for the  
23 determination.

24               (ii) Within seven days of notification under  
25 subparagraph (i), the cyber charter school shall review  
26 the notification of nonresidence, respond to the school  
27 district and provide a copy of the response to the  
28 department. If the cyber charter school agrees that a  
29 student is not a resident of the school district, it  
30 shall determine the proper district of residence of the

1 student before requesting funds from another school  
2 district.

3 (iii) Within seven days of receipt of the response  
4 under subparagraph (ii), the school district shall notify  
5 the cyber charter school that it agrees with the cyber  
6 charter school's determination or does not agree with the  
7 cyber charter school's determination.

8 (iv) A school district that has notified the cyber  
9 charter school that it does not agree with the cyber  
10 charter school's determination under subparagraph (iii)  
11 shall appeal to the department for a final determination.

12 (v) All decisions of the department regarding the  
13 school district of residence of a student shall be  
14 subject to review by the Commonwealth Court.

15 (vi) A school district shall continue to make  
16 payments to a cyber charter school under section 1725-A  
17 during the time in which the school district of residence  
18 of a student is in dispute.

19 (vii) If a final determination is made that a  
20 student is not a resident of an appealing school  
21 district, the cyber charter school shall return all funds  
22 provided on behalf of that student to the school district  
23 within 30 days.

24 (b) Notification form.--The department shall develop a  
25 notification form for use under subsection (a). The notification  
26 shall include:

27 (1) The name, home address and mailing address of the  
28 student.

29 (2) The grade in which the student is being enrolled.

30 (3) The date the student will be enrolled.

1           (4) The name and address of the cyber charter school and  
2           the name and telephone number of a contact person able to  
3           provide information regarding the cyber charter school.

4           (5) The signature of the parent or guardian and an  
5           authorized representative of the cyber charter school.

6           (c) Withdrawal.--The cyber charter school and the parent or  
7           guardian of a student enrolled in a cyber charter school shall  
8           provide written notification to the student's school district of  
9           residence within 15 days following the withdrawal of a student  
10          from the cyber charter school.

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, 752, 753, 755, 771, 776, 777,  
17                 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,  
18                 1302, 1310, 1317.2, 1318, 1330, 1332, 1303-A, 1518, 1521,  
19                 1523, 1531, 1547, 1702-A, 1703-A, 1714-A, 1715-A, 1716-A,  
20                 1719-A, 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, 1725-A,  
21                 1727-A, 1729-A, 1730-A, 1731-A(a)(1) and (b) and 2014-A and  
22                 Articles XII-A, XIII-A and XIV.

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

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

29                 (4) Section 4 of the act of January 25, 1966 (1965  
30                 P.L.1546, No.541), entitled "An act providing scholarships

1 and providing funds to secure Federal funds for qualified  
2 students of the Commonwealth of Pennsylvania who need  
3 financial assistance to attend postsecondary institutions of  
4 higher learning, making an appropriation, and providing for  
5 the administration of this act."

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

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

13 (b) Regulations.--Cyber charter schools shall be subject to  
14 the following provisions of 22 Pa. Code (relating to education):

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

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  
21 prohibited).

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

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

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

26 (c) Existing charter schools.--

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

provisions of Subdivision (b).

(2) In addition to subsections (a) and (b), the following provisions of this subdivision shall apply to a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means:

(i) Section 1743-A(c), (d), (e), (h) and (i).

(ii) Section 1744-A.

(iii) Section 1748-A.

Section 1750-A. Effect on certain existing charter schools.

(a) Determination.--For a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means, prior to August 15, 2002, the department shall determine:

(1) whether the charter school is in compliance with this subdivision;

(2) whether the charter school has provided notification of the enrollment of each existing student to the school district of residence; and

(3) how the charter school plans to comply with section 1743-A(d).

(b) Notification of compliance.--Prior to August 15, 2002, the department shall:

(1) Notify each charter school and the chartering school district of the department's determination under subsection (a). The notification shall include specific requirements with which the charter school has failed to comply.

(2) Publish a copy of the notification on the department's World Wide Web site.

(c) Charter school requirement.--A charter school subject to

1 the requirements of this section shall, either in writing or  
2 electronically, provide the parent or guardian of any student  
3 enrolled in the charter school a copy of the department's  
4 determination under subsection (b).

5 (d) School districts.--A school district shall not renew the  
6 charter of a charter school approved under section 1717-A or  
7 1718-A which provides instruction through the Internet or other  
8 electronic means or approve a charter for a cyber charter  
9 school.

10 (e) Renewal of charter for certain existing charter  
11 schools.--Upon the expiration of its charter, a charter school  
12 approved under section 1717-A or 1718-A which provides  
13 instruction through the Internet or other electronic means shall  
14 seek renewal of its charter from the department under this  
15 subdivision. The charter shall be amended as needed to reflect  
16 the requirements of this subdivision.

17 Section 1751-A. Regulations.

18 The department may issue regulations to implement this  
19 subdivision.]

20 Section 5. The act is amended by adding an article to read:

21 ARTICLE XVII-C

22 CHARTER CYBER SCHOOLS

23 (a) Preliminary Provisions

24 Section 1701-C. Scope.

25 This article deals with charter cyber schools.

26 Section 1702-C. Definitions.

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

30 "Appeal board." The State Charter School Appeal Board



1 established by Article XVII-A.

2 "At-risk student." A student at risk of educational failure  
3 because of limited English proficiency, poverty, community  
4 factors, truancy, academic difficulties or economic  
5 disadvantage.

6 "Charter cyber school." An independent public school  
7 established and operated under a charter from the Department of  
8 Education and in which the school uses technology in order to  
9 provide a significant portion of its curriculum and to deliver a  
10 significant portion of instruction to its students through the  
11 Internet or other electronic means. A charter cyber school must  
12 be organized as a public, nonprofit corporation. A charter may  
13 not be granted to a for-profit entity.

14 "Chief executive officer." An individual appointed by the  
15 board of trustees to oversee and manage the operation of the  
16 charter cyber school, but who shall not be deemed a professional  
17 staff member under this article.

18 "Department." The Department of Education of the  
19 Commonwealth.

20 "School district of residence." The school district in this  
21 Commonwealth in which the parents or guardians of a child  
22 reside.

23 "Secretary." The Secretary of Education of the Commonwealth.

24 "State board." The State Board of Education.

25 (b) Governance

26 Section 1711-C. Powers of charter cyber schools.

27 (a) General powers.--A charter cyber school established  
28 under this article is a body corporate and shall have all powers  
29 necessary or desirable for carrying out its charter, including,  
30 but not limited to, the power to:

1       (1) Adopt a name and corporate seal; however, any name  
2       selected shall include the words "charter cyber school."

3       (2) Sue and be sued, but only to the same extent and  
4       upon the same condition that political subdivisions and local  
5       agencies can be sued.

6       (3) Acquire real property from public or private sources  
7       by lease or gift for use as a charter cyber school facility.

8       (4) Receive and disburse budgeted funds for charter  
9       school purposes only. The funds shall not be used for any  
10      other purpose, or transferred, except by resolution of the  
11      board of trustees receiving the affirmative vote of two-  
12      thirds of the members thereof. Whenever Federal or State  
13      funds are made available to charter cyber schools, the funds  
14      may be expended by the board of trustees for the purposes for  
15      which they are made available even though the provisions  
16      therefor were not made in the annual estimates or budget of  
17      the charter cyber entity.

18      (5) Make contracts and leases for the procurement of  
19      services, equipment and supplies.

20      (6) Incur temporary debts in anticipation of the receipt  
21      of funds.

22      (7) Solicit and accept any gifts or grants for charter  
23      cyber school purposes.

24      (b) Additional powers.--A charter cyber school shall have  
25      such other powers as are necessary to fulfill its charter and  
26      which are not inconsistent with this article.

27      (c) Indebtedness.--Any indebtedness incurred by a charter  
28      cyber school in the exercise of the powers specified in this  
29      section shall not impose any liability or legal obligation upon  
30      the Commonwealth.

1 Section 1712-C. Powers of board of trustees.

2 (a) General powers.--The board of trustees of a charter  
3 cyber school shall have the authority to decide matters related  
4 to the operation of the school, including, but not limited to,  
5 budgeting, except as set forth in sections 2528 and 2529,  
6 curriculum and operating procedures, subject to the school's  
7 charter. The board shall have the authority to employ, discharge  
8 and contract with necessary professional and nonprofessional  
9 employees subject to the school's charter and the provisions of  
10 this article.

11 (b) Compliance with Sunshine Act.--The board of trustees  
12 shall comply with 65 Pa.C.S. Ch. 7 (relating to open meetings).

13 (c) Conflict of interest.--No member of the board of  
14 trustees or employee of the charter cyber school may do business  
15 with the school or the management of the school nor may a person  
16 affiliated with the management of the school sit on the board of  
17 trustees.

18 Section 1713-C. Term and form of charter.

19 (a) Written charter.--Upon approval of a charter application  
20 under section 1727-C, a written charter shall be developed which  
21 shall contain the provisions of the charter application and  
22 which shall be signed by the department or by the chairman of  
23 the appeal board pursuant to section 1727-C(j) and the board of  
24 trustees of the charter cyber school. This written charter, when  
25 duly signed by the department and the charter cyber school's  
26 board of trustees, shall act as legal authorization for the  
27 establishment of a charter cyber school. This written charter  
28 shall be legally binding on both the department and the charter  
29 cyber school's board of trustees.

30 (b) Term.--The charter shall be for a period of no less than

three nor more than five years and may be renewed for five-year periods upon reauthorization by the department or the appeal board.

(c) Organization.--A charter will be granted only for a school organized as a public, nonprofit corporation.

#### Section 1714-C. Facilities.

(a) Location.--A charter cyber school may be located in any suitable location.

(b) Exemption from regulation.--The charter cyber school facility shall be exempt from public school facility regulations except those pertaining to the health or safety of the pupils.

#### Section 1715-C. School staff.

(a) Requirements.--The board of trustees shall determine the level of compensation and all terms and conditions of employment of the staff except as may otherwise be provided in this article. At least 75% of the professional staff members of a charter cyber school shall hold appropriate State certification.

Employees of a charter cyber school may organize under the act of July 23, 1970 (P.L.563, No.195), known as the Public Employee Relations Act. The board of trustees of a charter cyber school shall be considered an employer for the purposes of Article XI-A. Upon formation of one or more collective bargaining units at the school, the board of trustees shall bargain with the employees based on the provisions of this article, Article XI-A and the Public Employee Relations Act. Collective bargaining units at a charter cyber school shall be separate from any collective bargaining unit of the school district in which the charter cyber school is located and shall be separate from any other collective bargaining unit. A charter cyber school shall be considered a school entity as provided for in section 1161-A

1 for the purpose of the secretary seeking an injunction requiring  
2 the charter cyber school to meet the minimum requirements for  
3 instruction as provided for in this article.

4 (b) Qualifications.--Each charter application shall list the  
5 general qualifications needed to staff any noncertified  
6 positions. Professional employees who do not hold appropriate  
7 Pennsylvania certification must present evidence that they:

8 (1) Meet the qualifications in sections 1109 and 1209.

9 (2) Have demonstrated satisfactorily a combination of  
10 experience, achievement and qualifications as defined in the  
11 charter cyber school application in basic skills, general  
12 knowledge, professional knowledge and practice and subject  
13 matter knowledge in the subject area where an individual will  
14 teach.

15 (c) Retirement and social security.--All employees of a  
16 charter cyber school shall be enrolled in the Public School  
17 Employees' Retirement System in the same manner as set forth in  
18 24 Pa.C.S. § 8301(a) (relating to mandatory and optional  
19 membership). The Commonwealth shall make contributions on behalf  
20 of charter cyber school employees, and the charter cyber school  
21 shall be considered a school district and shall make payments by  
22 employers and payments on account of Social Security as  
23 established under 24 Pa.C.S. Pt. IV (relating to retirement for  
24 school employees). For purposes of payments by employers, a  
25 charter cyber school shall be considered a school district under  
26 24 Pa.C.S. § 8329(a)(1) (relating to payments on account of  
27 social security deductions from appropriations). The market  
28 value/income aid ratio used in calculating payments as  
29 prescribed in this subsection shall be a composite market  
30 value/income aid ratio for the participating school districts as

determined by the department. Except as otherwise provided,  
employees of a charter cyber school shall make regular member  
contributions as required for active members under 24 Pa.C.S.  
Pt. IV. For purposes of this subsection, a charter cyber school  
shall be deemed to be a "public school" as defined in 24 Pa.C.S.  
§ 8102 (relating to definitions).

(d) Health care benefits.--Every employee of a charter cyber  
school shall be provided the same health care benefits as the  
employee would be provided if the employee were an employee of  
the local district. The charter school shall make any required  
employer's contribution to the district's health plan to an  
insurer, a local board of school directors or a contractual  
representative of school employees, whichever is appropriate to  
provide the required coverage.

(e) Certification.--Professional employees who hold a first  
level teaching or administrative certificate may, at their  
option, have the time completed in satisfactory service in a  
charter cyber school applied to the length of service  
requirements for the next level of certification.

(f) Criminal history.--All applicants for a position as a  
charter cyber school employee who shall have direct contact or  
electronic contact via the Internet or e-mail with students  
shall be required to submit a report of criminal history record  
information as provided for in section 111 prior to accepting a  
position with the charter cyber school. This subsection shall  
also apply to any individual who volunteers to work on a full-  
time or part-time basis at the charter cyber school.

(g) Child abuse clearance.--All applicants for a position as  
a school employee shall be required to submit the official  
clearance statement regarding child injury or abuse from the

Department of Public Welfare as required by 23 Pa.C.S. Ch. 63 Subch. C.2 (relating to background checks for employment in schools). This section shall also apply to any individual who volunteers to work on a full-time or part-time basis at a charter cyber school.

Section 1716-C. Tort liability.

For purposes of tort liability, employees of the charter cyber school shall be considered public employees and the board of trustees shall be considered the public employer in the same manner as political subdivisions and local agencies. The board of trustees of a charter cyber school and the charter cyber school shall be solely liable for any and all damages of any kind resulting from any legal challenge involving the operation of a charter cyber school. Notwithstanding this requirement, the local board of directors of a school entity shall not be held liable for any activity or operation related to the program of the charter cyber school.

Section 1717-C. Causes for nonrenewal or termination.

(a) Revocation.--During the term of the charter or at the end of the term of the charter, the department may choose to revoke or not to renew the charter based on any of the following:

(1) One or more material violations of any of the conditions, standards or procedures contained in the written charter signed pursuant to section 1713-C.

(2) Failure to meet the requirements for student performance set forth in 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4 or failure to meet any performance standard set forth in the written charter

1 signed pursuant to section 1713-C.

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

4 (4) Violation of provisions of this article.

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

8 (6) The charter cyber school has been convicted of  
9 fraud.

10 (b) Disqualification.--A member of the board of trustees who  
11 is convicted of a felony or any crime involving moral turpitude  
12 shall be immediately disqualified from serving on the board of  
13 trustees.

14 (c) Notice.--Any notice of revocation or nonrenewal of a  
15 charter given by the department shall state the grounds for the  
16 action with reasonable specificity and give reasonable notice to  
17 the governing board of the charter cyber school of the date on  
18 which a public hearing concerning the revocation or nonrenewal  
19 will be held. The department shall conduct the hearing, present  
20 evidence in support of the grounds for revocation or nonrenewal  
21 stated in its notice and give the charter cyber school  
22 reasonable opportunity to offer testimony before taking final  
23 action. Formal action revoking or not renewing a charter shall  
24 be taken by the department at a public meeting pursuant to 65  
25 Pa.C.S. Ch. 7 (relating to open meetings) after the public has  
26 had 30 days to provide comments to the department. All  
27 proceedings of the department pursuant to this subsection shall  
28 be subject to 2 Pa.C.S. Ch. 5 Subch. A (relating to practice and  
29 procedure of Commonwealth agencies). Except as provided in  
30 subsection (d), the decision of the department shall not be



1 subject to 2 Pa.C.S. Ch. 7 Subch. A (relating to judicial review  
2 of Commonwealth agency action).

3 (d) Appeal.--The charter cyber school may appeal the  
4 decision of the department to revoke or not renew the charter to  
5 the appeal board. The appeal board shall have the exclusive  
6 review of a decision not to renew or revoke a charter. The  
7 appeal board shall review the record and shall have the  
8 discretion to supplement the record if the supplemental  
9 information was previously unavailable. The appeal board may  
10 consider the charter cyber school plan, annual reports, student  
11 performance and employee and community support for the charter  
12 cyber school in addition to the record. The appeal board shall  
13 give due consideration to the findings of the department and  
14 specifically articulate its reasons for agreeing or disagreeing  
15 with those findings in its written decision.

16 (e) Determination.--If the appeal board determines that the  
17 charter should not be revoked or should be renewed, the appeal  
18 board shall order the department to rescind its revocation or  
19 nonrenewal decision.

20 (f) Status of charter.--Except as provided in subsection  
21 (g), the charter shall remain in effect until final disposition  
22 by the appeal board.

23 (g) Special circumstances.--In cases where the health or  
24 safety of the school's pupils, staff or both is at serious risk,  
25 the department may take immediate action to revoke a charter.

26 (h) Review by Commonwealth Court.--All decisions of the  
27 appeal board shall be subject to appellate review by the  
28 Commonwealth Court.

29 (i) Dissolution.--When a charter is revoked, not renewed,  
30 forfeited, surrendered or otherwise ceases to operate, the

charter cyber school shall be dissolved. After the disposition of any liabilities and obligations of the charter cyber school, any remaining assets of the charter cyber school, both real and personal, shall be distributed on a proportional basis to the school entities with students enrolled in the charter cyber school for the last full or partial school year of the charter cyber school. In no event shall such school entities or the Commonwealth be liable for any outstanding liabilities or obligations of the charter cyber school.

(j) Students.--When a charter is revoked or is not renewed, a student who attended the charter cyber school shall apply to another public school in the student's school district of residence. Normal application deadlines will be disregarded under these circumstances. All student records maintained by the charter cyber school shall be forwarded within ten days to the student's district of residence.

(c) Establishment and Operation  
Section 1721-C. Powers and duties of department.

(a) Powers and duties.--The department shall:

(1) Receive, review and act on applications for the creation of a charter cyber school and have the power to request further information from applicants, obtain input from interested persons or entities and hold hearings regarding applications.

(2) Renew the charter of a charter cyber school and renew the charter of a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means. Upon renewal of a charter of a charter school approved under section 1717-C or 1718-C, the charter school shall qualify as a charter cyber school

1 under this article and shall be subject to the provisions of  
2 this article.

3 (3) Revoke or deny renewal of a charter cyber school's  
4 charter under the provisions of section 1717-C.

5 (i) Notwithstanding the provisions of section 1717-  
6 C(i), when the department has revoked or denied renewal  
7 of a charter, the charter cyber school shall be  
8 dissolved. After the disposition of the liabilities and  
9 obligations of the charter cyber school, any remaining  
10 assets of the charter cyber school shall be given over to  
11 the department. Upon the transfer of assets from the  
12 charter cyber school to the department, the department  
13 shall equally distribute any remaining funds of the  
14 charter cyber school to the school entities that enroll  
15 the former charter cyber school students.

16 (ii) Notwithstanding any laws to the contrary, the  
17 department may, after notice and hearing, take immediate  
18 action to revoke a charter if:

19 (A) a material component of the student's  
20 education as required under this article is not being  
21 provided; or

22 (B) the charter cyber school has failed to  
23 maintain the financial ability to provide services as  
24 required under this article.

25 (4) Execute charters after approval.

26 (5) Develop forms, including the notification form under  
27 section 1731-C(c), necessary to carry out the provisions of  
28 this article.

29 (6) Provide for funding at charter cyber schools in  
30 accordance with section 2527.

1     (b) Hearings.--Hearings conducted by the department shall be  
2     conducted under 65 Pa.C.S. Ch. 7 (relating to open meetings).

3     (c) Documents.--Documents of the appeal board shall be  
4     subject to the act of June 21, 1957 (P.L.390, No.212), referred  
5     to as the Right-to-Know Law.

6     Section 1722-C. Assessment and evaluation.

7     The department shall:

8         (1) Annually assess whether each charter cyber school is  
9         meeting the goals of its charter as required under section  
10        1726-C(5) and is in compliance with the provisions of the  
11        charter and conduct a comprehensive review prior to granting  
12        a five-year renewal of the charter.

13        (2) Annually review each charter cyber school's  
14        performance on the Pennsylvania System of School Assessment  
15        test, standardized tests and other performance indicators to  
16        ensure compliance with 22 Pa. Code Ch. 4 (relating to  
17        academic standards and assessment) or subsequent regulations  
18        promulgated to replace 22 Pa. Code Ch. 4.

19        (3) Have ongoing access to all records, instructional  
20        materials and student and staff records of each charter cyber  
21        school and to every charter cyber school facility to ensure  
22        the charter cyber school is in compliance with its charter  
23        and this article.

24     Section 1723-C. Charter cyber school requirements and  
25             prohibitions.

26     (a) Special financial requirements prohibited.--A charter  
27     cyber school shall not:

28         (1) except as provided for in subsection (e), provide  
29         payments to parents or guardians for the purchase of  
30         instructional materials; or

1       (2) except as compensation for the provision of specific  
2       services, enter into agreements to provide funds to a school  
3       entity.

4       (b) Enrollment.--A charter cyber school shall report to the  
5       department an increase or a decrease of 15% or more in its  
6       anticipated enrollment set forth in the application under  
7       section 1729-C(11).

8       (c) Department.--A charter cyber school shall make available  
9       upon request, either in writing or electronically, to the  
10       department the following:

11           (1) A copy of the charter.

12           (2) A copy of the charter cyber school application.

13           (3) A copy of all annual reports prepared by the charter  
14       cyber school.

15       (c.1) School district.--A charter cyber school shall make  
16       available upon request, either in writing or electronically, to  
17       each student's school district of residence, a list of all  
18       students from that school district enrolled in the charter cyber  
19       school.

20       (d) Parent or guardian.--Upon request and prior to the  
21       student's first day in a charter cyber school, the charter cyber  
22       school shall, either in writing or electronically, provide to  
23       the parent or guardian of a student the following:

24           (1) A list and brief description of the courses of  
25       instruction the student will receive. The list shall be  
26       updated annually for each grade level in which the student is  
27       enrolled.

28           (2) A description of the lessons and activities to be  
29       offered both online and off-line.

30           (3) The manner in which attendance will be reported and

1 work will be authenticated.

2 (4) A list of all standardized tests the student will be  
3 required to take during the school year and the place where  
4 the test will be administered, if available.

5 (5) The meetings to be held during the school year  
6 between a parent or guardian and a teacher and among other  
7 school officials or parents or guardians and the manner in  
8 which the parent or guardian will be notified of the time and  
9 place for the meeting.

10 (6) The address of the charter cyber school and the  
11 name, telephone number and e-mail address of the school  
12 administrator and other school personnel.

13 (7) A list of any extracurricular activities provided by  
14 the charter cyber school.

15 (8) The names of the student's teachers, if available,  
16 and the manner in which each teacher can be contacted by the  
17 student or the parent or guardian.

18 (9) A list of all services that will be provided to the  
19 student by the charter cyber school.

20 (10) Copies of policies relating to computer security  
21 and privacy, truancy, absences, discipline and withdrawal or  
22 expulsion of students.

23 (11) Information on:

24 (i) The charter cyber school's professional staff,  
25 including the number of staff personnel, their education  
26 level and experience.

27 (ii) The charter cyber school's performance on the  
28 PSSA test and other standardized test scores.

29 (12) Information regarding the proper usage of equipment  
30 and materials and the process for returning equipment and

1 materials supplied to the students by the charter cyber  
2 school. A parent or guardian shall acknowledge, either in  
3 writing or electronically, the receipt of this information.

4 (13) A description of the school calendar, including,  
5 but not limited to, the time frame that will constitute a  
6 school year and a school week, holidays and term breaks.

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

9 (1) provide all instructional materials;

10 (2) provide all equipment, including, but not limited  
11 to, a computer, computer monitor and printer; and

12 (3) provide or reimburse for all technology and services  
13 necessary for the online delivery of the curriculum and  
14 instruction.

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

18 (f) Annual report.--A charter cyber school shall submit an  
19 annual report no later than August 1 of each year to the  
20 department in the form prescribed by the department.

21 (g) Records and facilities.--A charter cyber school shall  
22 provide the department with ongoing access to all records and  
23 facilities necessary for the department to assess the charter  
24 cyber school in accordance with the provisions of this article.

25 (h) Offices and facilities.--A charter cyber school shall  
26 maintain an administrative office within this Commonwealth where  
27 all student records shall be maintained at all times and shall  
28 provide the department with the addresses of all offices and  
29 facilities of the charter cyber school, the ownership thereof  
30 and any lease arrangements. The administrative office of the

1 charter cyber school shall be considered as the principal place  
2 of business for service of process for any action brought  
3 against the charter cyber school or charter cyber school staff  
4 members. The charter cyber school shall notify the department of  
5 any changes in this information within ten days of the change.

6 (i) Applicable law.--Any action taken against the charter  
7 cyber school, its successors or assigns or its employees,  
8 including any charter cyber school staff member as defined in  
9 the act of December 12, 1973 (P.L.397, No.141), known as the  
10 Professional Educator Discipline Act, shall be governed by the  
11 laws of this Commonwealth. If the department initiates an  
12 investigation or pursues an action pursuant to the Professional  
13 Educator Discipline Act involving any current or former charter  
14 cyber school staff member outside this Commonwealth, any  
15 reasonable expenses incurred by the department in such  
16 investigation or action shall be paid by the charter cyber  
17 school which employed that staff member at the time of the  
18 alleged misconduct.

19 Section 1724-C. Charter cyber school requirements.

20 Charter cyber schools shall be required to comply with the  
21 following provisions:

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

29 (2) A charter cyber school shall be accountable to the  
30 parents, the public and the Commonwealth, with the



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

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

6 (4) A charter cyber school shall be nonsectarian in all  
7 operations.

8 (5) A charter cyber school shall not provide any  
9 religious instruction, nor shall it display religious objects  
10 and symbols on the premises of the charter cyber school.

11 (6) A charter cyber school shall not advocate unlawful  
12 behavior.

13 (7) A charter cyber school shall only be subject to the  
14 laws and regulations as provided for in this article.

15 (8) A charter cyber school shall participate in the  
16 Pennsylvania State Assessment System as provided for in 22  
17 Pa. Code Ch. 4 (relating to academic standards and  
18 assessment), or subsequent regulations promulgated to replace  
19 22 Pa. Code Ch. 4, in the manner in which the school district  
20 in which the charter cyber school is located is scheduled to  
21 participate.

22 (9) A charter cyber school shall provide a minimum of  
23 180 days of instruction or 900 hours per year of instruction  
24 at the elementary level, or 990 hours per year of instruction  
25 at the secondary level. Nothing in this paragraph shall  
26 preclude the use of computer and satellite linkages for  
27 delivering instruction to students.

28 (10) Boards of trustees and contractors of charter cyber  
29 schools shall be subject to the following statutory  
30 requirements governing construction projects and

construction-related work:

(i) The following provisions of this act:

(A) Sections 751 and 751.1.

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

(ii) Section 1 of the act of May 1, 1913 (P.L.155,  
No.104), referred to as the Separations Act.

(iii) The Public Works Contractors' Bond Law of  
1967.

(iv) The act of March 3, 1978 (P.L.6, No.3), known  
as the Steel Products Procurement Act.

(11) Trustees of a charter cyber school shall be public  
officials.

Section 1725-C. School district and intermediate unit  
responsibilities.

Subject to agreement between a charter cyber school and an  
intermediate unit or school district, the intermediate unit or a  
school district in which a student enrolled in a charter cyber  
school resides shall do all of the following:

(1) Provide the charter cyber school within ten days of  
receipt of the notice of the admission of the student under  
section 1731-C(a) with all records relating to the student,  
including transcripts, test scores and a copy of any  
individualized education program for that student.

(2) Enter into written agreements for the use of  
intermediate units or school facilities for, but not limited  
to, standardized testing or any program sponsored by the  
intermediate unit or school district.

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

6       Section 1726-C. Contents of application.

7       An application to establish a charter cyber school shall  
8       include all of the following information:

- 9               (1) The identification of the charter applicant.  
10              (2) The name of the proposed charter cyber school.  
11              (3) The grade or age levels served by the school.  
12              (4) The proposed governance structure of the charter  
13       cyber school, including a description and method for the  
14       appointment or election of members of the board of trustees.  
15       The board of trustees must include at least one member  
16       appointed by the secretary and two members who represent the  
17       intermediate unit serving that charter cyber school's region.  
18              (5) The mission and education goals of the charter cyber  
19       school, the curriculum to be offered and the methods of  
20       assessing whether students are meeting educational goals.  
21              (6) The admission policy and criteria for evaluating the  
22       admission of students which shall comply with the  
23       requirements of section 1730-C.  
24              (7) Procedures which will be used regarding the  
25       suspension or expulsion of pupils. The procedures shall  
26       comply with section 1318.  
27              (8) Information on the manner in which community groups  
28       will be involved in the charter cyber school planning  
29       process.  
30              (9) The financial plan for the charter cyber school and

1 the provisions which will be made for auditing the school  
2 under section 437.

3 (10) Procedures which shall be established to review  
4 complaints of parents regarding the operation of the charter  
5 cyber school.

6 (11) A description of and address of the physical  
7 facility in which the charter cyber school will be located  
8 and the ownership thereof and any lease arrangements.

9 (12) Information on the proposed school calendar for the  
10 charter cyber school, including the length of the school day  
11 and school year consistent with the provisions of section  
12 1502.

13 (13) The proposed faculty and a professional development  
14 plan for the faculty of a charter cyber school.

15 (14) Whether any agreements have been entered into or  
16 plans developed with the local school district regarding  
17 participation of the charter cyber school students in  
18 extracurricular activities within the school district.

19 (15) A report of criminal history record, pursuant to  
20 section 111, for all individuals who shall have direct  
21 contact or electronic contact via the Internet or e-mail with  
22 students.

23 (16) An official clearance statement regarding child  
24 injury or abuse from the Department of Public Welfare as  
25 required by 23 Pa.C.S. Ch. 63 Subch. C.2 (relating to  
26 background checks for employment in schools) for all  
27 individuals who shall have direct contact with students.

28 (17) How the charter cyber school will provide adequate  
29 liability and other appropriate insurance for the charter  
30 cyber school, its employees and the board of trustees of the

1 charter cyber school.

2 Section 1727-C. Establishment of charter cyber school.

3 (a) Establishment.--A charter cyber school may be  
4 established by:

5 (1) an individual;

6 (2) one or more teachers who will teach at the proposed  
7 charter cyber school;

8 (3) parents or guardians of students who will enroll in  
9 the charter cyber school;

10 (4) a nonsectarian college, university or museum located  
11 in this Commonwealth;

12 (5) a nonsectarian corporation not-for-profit as defined  
13 in 15 Pa.C.S. § 5103 (relating to definitions);

14 (6) a corporation, association or partnership; or

15 (7) any combination of the entities listed in paragraph  
16 (1), (2), (3), (4), (5) or (6).

17 (b) Home education.--Section 1327.1 shall not apply to a  
18 charter cyber school established under this article.

19 (c) Sectarian entities.--No charter cyber school shall be  
20 established or funded by and no charter shall be granted to a  
21 sectarian school, institution or other entity.

22 (d) Attendance.--Attendance at a charter cyber school shall  
23 satisfy requirements for compulsory attendance.

24 (e) Application.--An application to establish a charter  
25 cyber school shall be submitted to the department by October 1  
26 of the school year preceding the school year in which the  
27 charter cyber school proposes to commence operation.

28 (f) Grant or denial.--Within 120 days of receipt of an  
29 application, the department shall grant or deny the application.  
30 The department shall review the application and shall hold at

1 least one public hearing under 65 Pa.C.S. Ch. 7 (relating to  
2 open meetings). At least 30 days prior to the hearing, the  
3 department shall publish in the Pennsylvania Bulletin and on the  
4 department's Internet website notice of the hearing and the  
5 purpose of the application.

6 (g) Evaluation criteria.--

7 (1) A charter cyber school application submitted under  
8 this article shall be evaluated by the department based on  
9 the following criteria:

10 (i) The demonstrated, sustainable support for the  
11 charter cyber school plan by teachers, parents or  
12 guardians and students.

13 (ii) The capability of the charter cyber school  
14 applicant, in terms of support and planning, to provide  
15 comprehensive learning experiences to students under the  
16 charter.

17 (iii) The extent to which the programs outlined in  
18 the application will enable students to meet the academic  
19 standards under 22 Pa. Code Ch. 4 (relating to academic  
20 standards and assessment) or subsequent regulations  
21 promulgated to replace 22 Pa. Code Ch. 4.

22 (iv) The extent to which the application meets the  
23 requirements of section 1729-C.

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

26 (2) Written notice of the action of the department shall  
27 be sent by certified mail to the applicant and published on  
28 the department's Internet website. If the application is  
29 denied, the reasons for denial, including a description of  
30 deficiencies in the application, shall be clearly stated in

1 the notice.

2 (3) Upon approval of a charter cyber school application,  
3 a written charter shall be developed which shall contain the  
4 provisions of the charter application and be signed by the  
5 secretary and each member of the board of trustees of the  
6 charter cyber school. The charter, when duly signed, shall  
7 act as legal authorization of the establishment of a charter  
8 cyber school. The charter shall be legally binding on the  
9 department, the charter cyber school and its board of  
10 trustees. The charter shall be for a period of no less than  
11 three years nor more than five years and may be renewed for a  
12 period of five years by the department.

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

15 (h) Funding.--Once approved a charter cyber school is  
16 eligible for funding by the department pursuant to section 2527.

17 (i) Denied application.--A charter cyber school applicant  
18 may revise and resubmit a denied application to the department.  
19 The department shall grant or deny the revised application  
20 within 60 days after its receipt.

21 (j) Appeal.--If the department fails to hold the required  
22 public hearing or to approve or disapprove the charter, the  
23 applicant may file its application as an appeal to the appeal  
24 board. The appeal board shall review the application and make a  
25 decision to approve or disapprove the charter based on the  
26 criteria in subsection (g).

27 Section 1728-C. Appeal board review.

28 (a) Jurisdiction.--The appeal board shall have the exclusive  
29 review of an appeal by a charter cyber school applicant or by  
30 the board of trustees of a charter cyber school on the decisions

of the department, including:

(1) The denial of an application for a charter.

(2) The denial of a renewal of a charter.

(3) The revocation of a charter.

(4) An appeal under section 1727-C(j).

(b) Procedure.--The appeal board shall:

(1) Review the decision made by the department under subsection (a) on the record as certified by the department.

The secretary shall recuse himself from all charter cyber school appeals and shall not participate in a hearing, deliberation or vote on a charter cyber school appeal. The appeal board may allow the department, the charter cyber school applicant or the board of trustees of a charter cyber school to supplement the record if the supplemental information was previously unavailable.

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

(3) Issue a written decision affirming or denying the appeal no later than 60 days following its review.

(4) In the case of a decision by the department to deny a charter cyber application, make its decision based on section 1727-C(g)(1). A decision by the appeal board to reverse the decision of the department and grant a charter shall serve as a requirement for the secretary to sign the written charter of the charter cyber school.

(5) In the case of a decision by the department to revoke or deny renewal of charter of a charter cyber school in accordance with section 1721-C(a)(3), make its decision based on section 1717-C(a). A decision of the appeal board to reverse the decision of the department to not revoke or deny



renewal of a charter shall serve as a requirement of the department to not revoke or to not deny renewal of the charter of the charter cyber school.

(c) Stay.--If the department appeals the decision of the appeal board, the appeal board's decision shall be stayed only upon order of the appeal board, the Commonwealth Court or the Pennsylvania Supreme Court.

(d) Review.--All decisions of the appeal board shall be subject to appellate review by the Commonwealth Court.

Section 1729-C. Charter cyber school application.

In addition to the provisions of section 1726-C, an application to establish a charter cyber school shall also include the following:

(1) The curriculum to be offered and how it meets the requirements of 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.

(2) The number of courses required for elementary and secondary students.

(3) An explanation of the amount of online time required for elementary and secondary students.

(4) The manner in which teachers will deliver instruction, assess academic progress and communicate with students to provide assistance.

(5) A specific explanation of any cooperative learning opportunities, meetings with students, parents and guardians, field trips or study sessions.

(6) The technology, including types of hardware and software, equipment and other materials which will be provided by the charter cyber school to the student.

1       (7) A description of how the charter cyber school will  
2 define and monitor a student's school day, including the  
3 delineation of online and off-line time.

4       (8) A description of commercially prepared standardized  
5 achievement tests that will be used by the charter cyber  
6 school in addition to the Pennsylvania System of School  
7 Assessment test, including the grade levels that will be  
8 tested and how the data collected from the tests will be used  
9 to improve instruction.

10       (9) The technical support that will be available to  
11 students and parents or guardians.

12       (10) The privacy and security measures to ensure the  
13 confidentiality of data gathered online.

14       (11) The level of anticipated enrollment during each  
15 school year of the proposed charter, including expected  
16 increases due to the addition of grade levels.

17       (12) The methods to be used to insure the authenticity  
18 of student work and adequate proctoring of examinations.

19       (13) The provision of education and related services to  
20 students with disabilities, including evaluation and the  
21 development and revision of individualized education  
22 programs.

23       (14) Policies regarding truancy, absences and withdrawal  
24 of students, including the manner in which the charter cyber  
25 school will monitor attendance consistent with the provisions  
26 of section 1724-C(9).

27       (15) The types and frequency of communication between  
28 the charter cyber school and the student and the manner in  
29 which the charter cyber school will communicate with parents  
30 and guardians.

1       (16) The addresses of all facilities and offices of the  
2       charter cyber school, the ownership thereof and any lease  
3       arrangements.

4   Section 1730-C. Enrollment.

5       (a) General rule.--All resident children in this  
6       Commonwealth qualify for admission to a charter cyber school  
7       within the provisions of subsection (b). If more students apply  
8       to the charter cyber school than the number of attendance slots  
9       available in the school, then students must be selected on a  
10       random basis from a pool of qualified applicants meeting the  
11       established eligibility criteria and submitting an application  
12       by the deadline established by the charter cyber school, except  
13       that the charter cyber school may give preference in enrollment  
14       to a child of a parent who has actively participated in the  
15       development of the charter cyber school and to siblings of  
16       students presently enrolled in the charter cyber school.

17       (b) Admission policy.--

18       (1) A charter cyber school shall not discriminate in its  
19       admission policies or practices on the basis of intellectual  
20       ability, except as provided in paragraph (2), or athletic  
21       ability, measures of achievement or aptitude, status as a  
22       person with a disability, proficiency in the English language  
23       or any other basis that would be illegal if used by a school  
24       district.

25       (2) A charter cyber school may limit admission to a  
26       particular grade level, a targeted population group composed  
27       of at-risk students, or areas of concentration of the school  
28       such as mathematics, science or the arts. A charter cyber  
29       school may establish reasonable criteria to evaluate  
30       prospective students which shall be outlined in the school's

1 charter.

2 (c) Nonresident students.--If available classroom space  
3 permits, a charter cyber school may enroll nonresident students  
4 on a space-available basis, and the student's district of  
5 residence shall permit the student to attend the charter school.  
6 The terms and conditions of the enrollment shall be outlined in  
7 the school's charter.

8 Section 1731-C. Enrollment and notification.

9 (a) Notice to school district.--

10 (1) Within 15 days of the enrollment of a student to a  
11 charter cyber school, the parent or guardian and the charter  
12 cyber school shall notify the student's school district of  
13 residence of the enrollment through the use of the  
14 notification form under subsection (b).

15 (2) If a school district which has received notice under  
16 paragraph (1) determines that a student is not a resident of  
17 the school district, the following apply:

18 (i) Within seven days of receipt of the notice under  
19 paragraph (1), the school district shall notify the  
20 charter cyber school and the department that the student  
21 is not a resident of the school district. Notification of  
22 nonresidence shall include the basis for the  
23 determination.

24 (ii) Within seven days of notification under  
25 subparagraph (i), the charter cyber school shall review  
26 the notification of nonresidence, respond to the school  
27 district and provide a copy of the response to the  
28 department.

29 (iii) Within seven days of receipt of the response  
30 under subparagraph (ii), the school district shall notify

1 the charter cyber school that it agrees with the charter  
2 cyber school's determination or does not agree with the  
3 charter cyber school's determination.

4 (iv) A school district that has notified the charter  
5 cyber school that it does not agree with the charter  
6 cyber school's determination under subparagraph (iii)  
7 shall appeal to the department for a final determination.

8 (v) All decisions of the department regarding the  
9 school district of residence of a student shall be  
10 subject to review by the Commonwealth Court.

11 (vi) If a final determination is made that a student  
12 is not a resident of an appealing school district, the  
13 charter cyber school shall return all funds provided on  
14 behalf of that student to the department within 30 days.

15 (b) Notification form.--The department shall develop a  
16 notification form for use under subsection (a). The notification  
17 shall include:

18 (1) The name, home address and mailing address of the  
19 student.

20 (2) The grade in which the student is being enrolled.

21 (3) The date the student will be enrolled.

22 (4) The name and address of the charter cyber school and  
23 the name and telephone number of a contact person able to  
24 provide information regarding the charter cyber school.

25 (5) The signature of the parent or guardian and an  
26 authorized representative of the charter cyber school.

27 (c) Withdrawal.--The charter cyber school and the parent or  
28 guardian of a student enrolled in a charter cyber school shall  
29 provide written notification to the student's school district of  
30 residence within 15 days following the withdrawal of a student

1 from the charter cyber school.

2 Section 1732-C. Equipment.

3 All computers, software and Internet connections are the  
4 property of the charter cyber school, not the parents or the  
5 students, and the disposition of the property of the school is  
6 left to the school itself. If a student leaves the charter cyber  
7 school, the student must return the school's property to it in  
8 usable condition or pay a fine in the form of fair market value  
9 for it, enforceable in a court of law.

10 Section 1733-C. Extracurricular activities.

11 (a) Prohibitions.--Notwithstanding any provision to the  
12 contrary, no school district of residence shall prohibit a  
13 student of a charter cyber school from participating in any  
14 extracurricular activity of that school district of residence,  
15 provided, that the student is able to fulfill all of the  
16 requirements of participation in such activity and the charter  
17 school does not provide the same extracurricular activity.

18 (b) Written agreements.--The school districts and charter  
19 cyber schools shall enter into a written agreement that  
20 includes, but is not limited to, the following provisions:

21 (1) Eligibility criteria that apply to charter cyber  
22 school students for participation in the activity.

23 (2) Tryout criteria that apply to charter cyber school  
24 students for participation in the activity.

25 (3) The method by which charter cyber schools shall  
26 inform school districts that the charter cyber school's  
27 students meet the eligibility and tryout criteria and also  
28 comply with all policies, rules and regulations, or their  
29 equivalent, of the governing organization of the activity.

30 (4) Any transportation, safety or security issues that

1 the parties desire to address.

2 (c) Physical examination or medical testing.--Where the  
3 activity requires completion of a physical examination or  
4 medical test as a condition of participation and the school  
5 district of residence offers such physical examination or  
6 medical test to students enrolled in the school district, the  
7 school district of residence shall permit a child who is  
8 enrolled in a charter cyber school to access such physical  
9 examination or medical test. The school district shall publish  
10 the dates and times of such physical examination or medical test  
11 on its publicly accessible Internet website.

12 Section 1734-C. Applicability of other provisions of this act  
13 and of other acts and regulations.

14 (a) General requirements.--Charter cyber schools shall be  
15 subject to the following:

16 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,  
17 436, 443, 510, 518, 527, 708, 752, 753, 755, 771, 776, 777,  
18 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,  
19 1302, 1310, 1317.2, 1318, 1330, 1332, 1303-A, 1518, 1521,  
20 1523, 1531, 1547, 1721-A, 1730-A, 1731-A(a)(1) and (b) and  
21 2014-A, Articles XIII-A and XIV and former Article XII-A.

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

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

28 (4) Section 4 of the act of January 25, 1966 (1965  
29 P.L.1546, No.541), entitled "An act providing scholarships  
30 and providing funds to secure Federal funds for qualified

1 students of the Commonwealth of Pennsylvania who need  
2 financial assistance to attend postsecondary institutions of  
3 higher learning, making an appropriation, and providing for  
4 the administration of this act."

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

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

12 (b) Regulations.--Charter cyber schools shall be subject to  
13 the following provisions of 22 Pa. Code (relating to education):

14 (1) Chapter 4 (relating to academic standards and  
15 assessment).

16 (2) Chapter 11 (relating to student attendance).

17 (3) Chapter 12 (relating to students and student  
18 services).

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

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

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

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

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

26 (c) Bidding requirements.--Charter cyber schools are subject  
27 to the same bidding requirements as school districts and other  
28 governmental entities in this Commonwealth.

29 (d) Existing charter schools.--

30 (1) The charter of a charter school approved under



1 section 1717-A or 1718-A which provides instruction through  
2 the Internet or other electronic means shall remain in effect  
3 for the duration of the charter and shall be subject to the  
4 provisions of section 1741-C.

5 (2) In addition to subsections (a) and (b), the  
6 following provisions of this article shall apply to a charter  
7 school approved under section 1717-A or 1718-A which provides  
8 instruction through the Internet or other electronic means:

9 (i) Section 1723-C(c), (d), (e), (h) and (i).

10 (ii) Section 1725-C.

11 (iii) Section 1731-C.

12 (d) Miscellaneous Provisions

13 Section 1741-C. Effect on certain existing charter schools.

14 (a) Determination.--For a charter school approved under  
15 section 1717-A or 1718-A which provides instruction through the  
16 Internet or other electronic means, the department shall  
17 determine:

18 (1) whether the charter school is in compliance with  
19 this article;

20 (2) whether the charter school has provided notification  
21 of the enrollment of each existing student to the school  
22 district of residence; and

23 (3) how the charter school plans to comply with section  
24 1723-C.

25 (b) Notification of compliance.--The department shall:

26 (1) Notify each charter school and the chartering school  
27 district of the department's determination under subsection  
28 (a). The notification shall include specific requirements  
29 with which the charter school has failed to comply.

30 (2) Publish a copy of the notification on the

1 department's Internet website.

2 (c) Charter school requirement.--A charter school subject to  
3 the requirements of this section shall, either in writing or  
4 electronically, provide the parent or guardian of any student  
5 enrolled in the charter school a copy of the department's  
6 determination under subsection (b).

7 (d) School districts.--A school district shall not renew the  
8 charter of a charter school approved under section 1717-A or  
9 1718-A which provides instruction through the Internet or other  
10 electronic means or approve a charter for a charter cyber  
11 school.

12 (e) Renewal of charter for certain existing charter  
13 schools.--Upon the expiration of its charter, a charter school  
14 approved under section 1717-A or 1718-A which provides  
15 instruction through the Internet or other electronic means shall  
16 seek renewal of its charter from the department under this  
17 article. The charter shall be amended as needed to reflect the  
18 requirements of this article.

19 Section 1742-C. Regulations.

20 The department may issue regulations to implement this  
21 article.

22 Section 6. The act is amended by adding sections to read:

23 Section 2527. Payments to Charter Cyber Schools.--(a)  
24 Notwithstanding any other provision of this article, each  
25 charter cyber school shall be paid by the Commonwealth on  
26 account of the instruction of pupils an amount as follows:

27 (1) For nonspecial education pupils:

28 (i) Five thousand dollars (\$5,000) per pupil enrolled in a  
29 charter cyber school enrolling one thousand (1,000) or fewer  
30 pupils.

1     (ii) Four thousand dollars (\$4,000) per pupil enrolled in a  
2 charter cyber school enrolling between one thousand one (1,001)  
3 pupils and four thousand nine hundred ninety-nine (4,999)  
4 pupils.

5     (iii) Three thousand dollars (\$3,000) per pupil enrolled in  
6 a charter cyber school enrolling five thousand (5,000) pupils or  
7 more.

8     (2) For special education pupils, the amount shall be  
9 equivalent to the cost of a nonspecial education pupil as set  
10 forth in paragraph (1), plus the actual cost of providing  
11 special education services at the charter cyber school in  
12 accordance with the pupil's individualized education program.

13     (3) Enrollments shall be determined by the number of  
14 students enrolled in the charter cyber school as of May 31 of  
15 the previous school year or, in the case of a new charter cyber  
16 school, the enrollment as of the first day of the current school  
17 year.

18     (b) A student enrolled in a charter cyber school shall not  
19 be included in the average daily membership of the student's  
20 district of residence for the purpose of providing basic  
21 education funding payments and special education funding  
22 pursuant to this article.

23     (c) The department shall not be required to provide per  
24 pupil funding to charter cyber schools for any student who does  
25 not meet the minimum requirements for the age of beginners  
26 established by the board of school directors in the student's  
27 school district of residence.

28     (d) Payments to charter cyber schools shall be paid through  
29 a separate line item from the department's payments to school  
30 districts and shall not be deducted from a school district's

1 basic education subsidy.

2 Section 2528. Requirements for Charter Cyber School

3 Budgeting.--(a) The board of trustees of each charter cyber

4 school shall, annually, at least thirty (30) days prior to the

5 adoption of the annual budget, prepare a proposed budget of the

6 amount of funds that will be required by the charter cyber

7 school in its departments for the following fiscal year. Such

8 proposed budget shall be prepared on a uniform form, prepared

9 and furnished by the Department of Education. On the date of the

10 adoption of the proposed budget, the board of trustees shall

11 certify to the Department of Education that the proposed budget

12 has been prepared, presented and will be made available for

13 public inspection, upon request, using the uniform form prepared

14 and furnished by the department as follows:

15 (1) Upon request, the proposed budget shall be made

16 available for duplication to any person at least twenty (20)

17 days prior to the date set for the adoption of the budget.

18 (2) Fees for duplication under this paragraph by

19 photocopying, printing from electronic media, transmission by

20 facsimile or other electronic means and other means for

21 duplication must be reasonable and based on prevailing fees for

22 comparable duplication services provided by local business

23 entities.

24 (b) The board of trustees shall adopt a budget by the

25 thirtieth day of June of each year. The budget shall include the

26 State appropriation and any gifts or grants awarded to the

27 charter cyber school. Within fifteen (15) days after the

28 adoption of the budget, the board of trustees shall file a copy

29 of the same with the Department of Education and with the

30 Education Committee of the Senate and the Education Committee of

1 the House of Representatives by the fifteenth day of September  
2 each year.

3 (c) The board of trustees may, during any fiscal year, make  
4 additional appropriations or increase existing appropriations to  
5 meet emergencies, such as epidemics, floods, fires or other  
6 catastrophes.

7 (d) The board of trustees shall have the power to authorize  
8 the transfer of any unencumbered balance, or any portion  
9 thereof, from one class of expenditure or item to another, but  
10 such action shall be taken only during the last nine (9) months  
11 of the fiscal year.

12 Section 2529. Limitations on Certain Unreserved Fund  
13 Balances.--(a) For the school year 2007-2008, and each school  
14 year thereafter, no charter cyber school shall adopt a budget  
15 that includes an estimated ending unreserved, undesignated fund  
16 balance that is more than ten per centum (10%) of the charter  
17 cyber school's total budgeted expenditures. If a charter cyber  
18 school fails to comply with this section, the department shall  
19 deduct from the department's next payment to the charter cyber  
20 school the amount by which the estimated ending unreserved,  
21 undesignated fund balances exceed the ten per centum (10%)  
22 threshold of total budgeted expenditures.

23 (b) By August 15, 2007, and on the fifteenth day of August  
24 of each year thereafter, each charter cyber school shall provide  
25 the Department of Education with information certifying  
26 compliance with this section. Such information shall be provided  
27 in a form and manner prescribed by the Department of Education  
28 and shall include information on the charter cyber school's  
29 estimated unreserved, undesignated fund balance as a dollar  
30 amount and as a percentage of the charter cyber school's total

1 budgeted expenditures for that school year.

2 (c) As used in this section, "estimated ending unreserved,  
3 undesignated fund balance" shall mean that portion of the fund  
4 balance which is appropriable for a specific or tentative future  
5 use, that is projected to remain in the general fund accounts of  
6 the charter cyber school at the close of the school year for  
7 which a charter cyber school's budget was adopted.

8 Section 2530. Auditing Requirements.--(a) The finances of  
9 every charter cyber school in every department thereof, together  
10 with the account of all charter cyber school treasurers, school  
11 depositories, teachers' retirement funds, teachers' institute  
12 funds, directors' association funds, sinking funds and other  
13 funds belonging to or controlled by the charter cyber school,  
14 shall be properly audited by an independent auditor who shall be  
15 a certified public accountant who shall be named prior to the  
16 end of the fiscal year and shall have all the powers and duties  
17 of such other auditors provided for within this act, except that  
18 the audit shall be made in accordance with generally accepted  
19 auditing standards. The compensation of the independent auditor  
20 shall be fixed by the charter cyber school's board of trustees  
21 and shall be paid from the funds of the charter cyber school.

22 (b) In order that the aforesaid account may be thoroughly  
23 and properly audited, it shall be the duty of all charter cyber  
24 schools' boards of trustees and other proper persons to furnish  
25 to such auditors, whenever required by them for auditing  
26 purposes, statements and accounts of all finances of the charter  
27 cyber school and other funds belonging to or controlled by the  
28 charter cyber school, including assets and liabilities, together  
29 with access to all books, records, tax duplicates, vouchers,  
30 school orders, payrolls, letters and other matters pertaining to

1 the same.

2 (c) The auditors, as provided in subsection (a), shall have  
3 the power and are hereby authorized to issue subpoenas to compel  
4 the attendance of charter cyber school officials or other  
5 persons whom they deem necessary to examine as witnesses and to  
6 compel the production of all books, records, vouchers, letters  
7 and papers relating to any accounts being audited by them. The  
8 auditors shall have the power to administer oaths or  
9 affirmations to all persons appearing before them as witnesses,  
10 and any person guilty of testifying falsely in any such  
11 examination shall be guilty of perjury and be liable for and  
12 subject to all the penalties provided therefor.

13 (d) In every charter cyber school, the proper auditors,  
14 pursuant to subsection (a), shall audit the finances of the  
15 charter cyber school by beginning their duties on the first day  
16 of July of each year, and promptly, within thirty (30) days,  
17 audit the accounts of the charter cyber school for which they  
18 were appointed. On the completion of the audit, the auditors  
19 shall make correct copies thereof, which shall contain an  
20 itemized statement of all receipts, expenditures and credits,  
21 whatsoever, of charter cyber school officials, and the assets  
22 and liabilities of the charter cyber school. One copy shall be  
23 filed with the board of trustees of the charter cyber school,  
24 one copy in the court of common pleas of the county in which the  
25 charter cyber school is located, one copy with the board of  
26 directors of the intermediate unit in which the charter cyber  
27 school is located, one copy with the school board of directors  
28 of the school district in which the charter cyber school is  
29 located, and one copy with the Department of Education. The copy  
30 shall be sent by registered mail with return receipt requested

1 to the Secretary of Education.

2 (e) The charter cyber school, upon receipt of a copy of the  
3 audit, shall make the audit available for public inspection on  
4 the charter cyber school's publicly accessible Internet website.

5 (f) The Secretary of Education may investigate the financial  
6 records of any charter cyber school in person or by his  
7 authorized representative.

8 (g) Charter cyber schools shall also be subject to sections  
9 2451, 2452, 2453, 2454 and 2455.

10 Section 7. Section 2591.1(c.1) of the act, added July 4,  
11 2004 (P.L.536, No.70), is amended and the section is amended by  
12 adding a subsection to read:

13 Section 2591.1. Commonwealth Reimbursements for Charter  
14 Schools and Cyber Charter Schools.--\* \* \*

15 (c.1) For the 2003-2004 school year [and each school year  
16 thereafter] through the 2006-2007 school year, the Commonwealth  
17 shall pay to each school district with resident students  
18 enrolled during the immediately preceding school year in a  
19 charter school, a charter school approved under section 1717-A  
20 or 1718-A which provides instruction through the Internet or  
21 other electronic means or a cyber charter school as defined  
22 under Article XVII-A, an amount equal to thirty percent (30%) of  
23 the total funding required under section 1725-A(a).

24 (c.2) For the 2007-2008 school year and each school year  
25 thereafter, the Commonwealth shall pay to each school district  
26 with resident students enrolled during the immediately preceding  
27 school year in a charter school, an amount equal to thirty  
28 percent (30%) of the total funding required under section 1725-  
29 A(a).

30 \* \* \*



1       Section 8. This act shall apply to the 2007-2008 school year  
2 and thereafter.

3       Section 9. This act shall take effect immediately.