
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1115 Session of
2011

INTRODUCED BY BROWNE, DINNIMAN, WASHINGTON, STACK, ERICKSON,
RAFFERTY, SOLOBAY, COSTA, FERLO, VANCE, BRUBAKER, WAUGH,
YUDICHAK, KASUNIC, HUGHES, SCHWANK, FARNESE, WILLIAMS, PIPPY,
LEACH, FONTANA, GREENLEAF, ARGALL, SMUCKER, MENSCH, BOSCOLA,
TOMLINSON, TARTAGLIONE, BAKER AND BLAKE, JUNE 16, 2011

SENATE AMENDMENTS TO HOUSE AMENDMENTS, IN SENATE, OCTOBER 15,
2012

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in preliminary provisions,
6 establishing the Special Education Funding Commission; and
7 imposing duties on the Department of Education; ~~in duties and~~ ←
8 ~~powers of boards of school directors, further providing for~~
9 ~~elementary schools;~~ in terms and courses of study, further
10 providing for agreements with institutions of higher
11 education; in opportunities for educational excellence,
12 further providing for definitions and for concurrent
13 enrollment agreements; extensively revising charter school
14 provisions; in reimbursements by the Commonwealth and between
15 school districts, further providing for definitions; and
16 providing for the distribution of special education funding
17 for student achievement and instruction of eligible students
18 and for special education accountability.

19 The General Assembly of the Commonwealth of Pennsylvania
20 hereby enacts as follows:

21 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
22 as the Public School Code of 1949, is amended by adding a
23 section to read:

1 Section ~~120~~ 122. Special Education Funding Commission.--(a) ←

2 There is hereby established a Special Education Funding
3 Commission.

4 (b) The Special Education Funding Commission shall review
5 and make recommendations related to special education funding as
6 provided in this section.

7 (c) (1) The commission shall consist of the following
8 members:

9 (i) The chairman and minority chairman of the Education
10 Committee of the Senate and the chairman and minority chairman
11 of the Education Committee of the House of Representatives, or
12 their designees.

13 (ii) Two (2) legislators from each of the four (4)
14 legislative caucuses, to be appointed by the President pro
15 tempore of the Senate and the Speaker of the House of
16 Representatives, in consultation with the Majority and Minority
17 Leaders of the Senate and the Majority and Minority Leaders of
18 the House of Representatives.

19 (iii) The Secretary of Education, or a designee.

20 (iv) The Secretary of the Budget, or a designee.

21 (v) The Deputy Secretary for Elementary and Secondary
22 Education, or a designee.

23 (2) The commission shall appoint a member to serve as
24 chairperson of the commission.

25 (d) The commission shall hold its first meeting ~~within~~ ←
26 ~~thirty (30) days of the effective date of this section.~~

27 ~~Regardless~~ AFTER JANUARY 1, 2013, REGARDLESS of whether the ←
28 Governor or all legislative caucuses have actually approved
29 members to the commission.

30 (e) The commission shall hold meetings at the call of the

1 ~~chairman~~ CHAIRPERSON. ←

2 (f) The members may not receive compensation for their
3 services, but must be reimbursed for all necessary travel and
4 other reasonable expenses incurred in connection with the
5 performance of their duties as members of the commission.

6 (g) The General Assembly shall provide administrative
7 support, meeting space and any other assistance required by the
8 commission to carry out its duties under this section in
9 cooperation with the Governor's Budget Office and the
10 department. The department shall provide the commission with
11 data, research and other information upon request by the
12 commission.

13 (h) The commission shall DEVELOP A SPECIAL EDUCATION FORMULA ←
14 AND identify factors that may be used to determine the
15 distribution of a change in special education funding among the
16 school districts in this Commonwealth.

17 (i) The commission shall have all of the following powers
18 and duties:

19 (1) Review and make FINDINGS AND recommendations related to ←
20 special education funding in this Commonwealth.

21 (2) Consult with and utilize experts to assist in carrying
22 out the duties under this subsection.

23 (3) Receive input from interested parties, including, but
24 not limited to, charter school and cyber charter school
25 operators.

26 (4) Hold public hearings in different regions of this
27 Commonwealth.

28 (5) Issue a report of its findings AND RECOMMENDATIONS to ←
29 the Governor, the President pro tempore of the Senate, the
30 Majority Leader and Minority Leader of the Senate, the Education

1 Committee of the Senate, the Speaker of the House of
2 Representatives, the Majority Leader and Minority Leader of the
3 House of Representatives, the Education Committee of the House
4 of Representatives, the Secretary of Education and the State
5 Board of Education not later than ~~November 30, 2012~~ APRIL 30, ←
6 2013.

7 (6) Determine the factors under this paragraph that may
8 include all of the following:

9 (i) Three (3) COST categories of eligible students, ←
10 established so that students with disabilities typically
11 requiring the least-intensive range of services would ~~compromise~~ ←
12 COMPRISE COST Category 1, students with disabilities typically ←
13 requiring a middle range of services would ~~compromise~~ COMPRISE ←
14 COST Category 2 and students with disabilities typically
15 requiring the most intensive range of services would ~~compromise~~ ←
16 COMPRISE COST Category 3. The commission shall determine a ←
17 description of and parameters for each of the three (3)
18 categories.

19 (ii) A student count for each school district AVERAGED for ←
20 each of the three (3) most recent years for each COST category ←
21 of eligible students. For COST Category 3, the number of ←
22 eligible students residing or enrolled in the school district
23 and classified in ~~category 3~~ COST CATEGORY 3 SHALL BE CALCULATED ←
24 IN A MANNER THAT LIMITS THE POTENTIAL INCENTIVE FOR SCHOOL
25 DISTRICTS TO OVERIDENTIFY, except ~~that~~ FOR the number of ←
26 eligible students ~~included~~ who are placed by the school district ←
27 and served in public or private separate schools, residential
28 placements or homebound or hospital placements ~~must be~~ ←
29 identified separately.

30 (iii) A weighting factor that differs ~~from~~ FOR each of the ←

1 three (3) COST categories of students with disabilities based on ←
2 the typical range of services for each COST category. The ←
3 weighting may include adjustments for any of the following:

4 (IV) ADJUSTMENTS FOR ANY OF THE FOLLOWING: ←

5 (A) The market value/personal income aid ratio AVERAGED for ←
6 each of the three (3) most recent years for each school
7 district.

8 (B) The equalized millage rate averaged for each of the
9 three (3) most recent years for each school district.

10 (C) Geographic price differences identified for each school
11 district of the department. ←

12 ~~(D)~~ (V) A proportional system for distributing the changes ←
13 in special education funding among the school districts, based
14 on factors listed in this subparagraph SECTION. ←

15 ~~(iv)~~ (VI) Development and implementation by the department ←
16 of improved systems for collecting and documenting student
17 enrollment and membership in public schools, including revised
18 methods for calculating average daily membership.

19 ~~(v)~~ (VII) Other factors related to the distribution of ←
20 special education funding.

21 (7) Review and consider special education funding factors
22 utilized in operation throughout the United States.

23 (8) In developing the special education funding factors
24 under subsection (h) and in completing the report required under
25 this subsection, consider the impact these factors may have on
26 the distribution of special education funding among the school
27 districts.

28 (9) Review the administration of State and regional special
29 education programs and services to determine if cost savings may
30 be achieved and make recommendations to implement the savings.

1 (10) Consult with and utilize experts to assist them in
2 carrying out the duties under this subsection.

3 (11) Prior to recommending a special education formula under
4 this section, consider nationally accepted accounting and
5 budgeting standards.

6 (j) The special education formula developed by the
7 commission shall not go into effect unless the formula is
8 approved by an act of the General Assembly enacted after the
9 effective date of this section.

10 (k) Every five years the commission shall be reconstituted
11 under subsection (c) and shall meet and hold public hearings to
12 review the ~~operations~~ OPERATION of the special education funding ←
13 ~~provision~~ PROVISIONS of this section, shall make a further ←
14 report and issue the report to the recipients listed in
15 subsection (i) (5). When in receipt of a further report
16 recommending changes to the special education funding formula,
17 the General Assembly shall consider and take action to enact the
18 formula into law in accordance with subsection (j).

19 (l) The General Assembly shall, through the annual
20 appropriations process, determine the level of State funding for
21 special education and the amount of any change in funding. The
22 special education formula developed under this section shall
23 determine only the distribution of any increase in special
24 education funding among the school districts of this
25 Commonwealth above the amount of special education funding in
26 the base year and shall not be used for any other purpose.

27 (m) Notwithstanding any provision of law to the contrary,
28 for the 2012-2013 school year and each school year thereafter,
29 any State funding for special education in an amount that does
30 not exceed the amount of State funding for special education in

1 the base year shall be allocated in the same manner as the State
2 funding was allocated in the base year.

3 (n) As used in this section, the following words and phrases
4 shall have the meanings given to them in this subsection unless
5 the context clearly indicates otherwise:

6 "BASE YEAR." FISCAL YEAR 2010-2011. ←

7 "Commission." The Special Education Funding Commission
8 established under this section.

9 "Department." The Department of Education of the
10 Commonwealth.

11 ~~Section 1.1. Section 501 of the act is amended to read:~~ ←

12 ~~Section 501. Elementary Schools. (a) The board of school~~
13 ~~directors in every school district shall establish, equip,~~
14 ~~furnish, and maintain a sufficient number of elementary public~~
15 ~~schools, in compliance with the provisions of this act, to~~
16 ~~educate every person, residing in such district, between the~~
17 ~~ages of six and twenty one years, who may attend.~~

18 ~~(b) A local board of school directors may satisfy the~~
19 ~~requirement set forth in subsection (a) by any of the following:~~

20 ~~(1) Operating a school building.~~

21 ~~(2) Contracting with any individual or entity authorized to~~
22 ~~establish a charter school entity under section 1717 A(a).~~

23 ~~(3) Paying tuition for students residing in the school~~
24 ~~district to attend school in another school district.~~

25 ~~Section 1.2. Section 1525 of the act, added July 4, 2004~~
26 ~~(P.L.536, No.70), is amended to read:~~

27 ~~Section 1525. Agreements with Institutions of Higher~~
28 ~~Education. Notwithstanding any other provision of law to the~~
29 ~~contrary, a school district, charter school, regional charter~~
30 ~~school, cyber charter school or an area vocational technical~~

1 ~~school~~ may enter into an agreement with one or more institutions
2 of higher education approved to operate in this Commonwealth in
3 order to allow [resident] students to attend such institutions
4 of higher education while the [resident] students are enrolled
5 in the school district, ~~charter school, regional charter school,~~
6 ~~cyber charter school or an area vocational technical school.~~ The
7 agreement may be structured so that high school students may
8 receive credits toward completion of courses at the school
9 district, ~~charter school, regional charter school, cyber charter~~
10 ~~school or an area vocational technical school~~ and at
11 institutions of higher education approved to operate in this
12 Commonwealth.

13 Section 1.3. ~~The definitions of "concurrent student" and~~
14 ~~"school entity" in section 1602 B of the act, added July 13,~~
15 ~~2005 (P.L.226, No.46), are amended to read:~~

16 Section 1602 B. Definitions.

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

20 * * *

21 "Concurrent student." ~~A student who is enrolled in a school~~
22 ~~district, a charter school, a regional charter school, a cyber~~
23 ~~charter school, an area vocational technical school, a nonpublic~~
24 ~~school, a private school or a home education program under~~
25 ~~section 1327.1 and who takes a concurrent course through a~~
26 ~~concurrent enrollment program.~~

27 * * *

28 "School entity." ~~A school district, a charter school, a~~
29 ~~regional charter school, a cyber charter school or an area~~
30 ~~vocational technical school.~~

1 ~~***~~

2 ~~Section 1.4. Section 1613-B of the act is amended by adding~~
3 ~~a subsection to read:~~

4 ~~Section 1613-B. Concurrent enrollment agreements.~~

5 ~~***~~

6 ~~(c) Charter school entities. A charter school, regional~~
7 ~~charter school, cyber charter school or an area vocational~~
8 ~~technical school shall have the power and authority to enter~~
9 ~~into a concurrent enrollment agreement with an institution of~~
10 ~~higher education, and appropriate credit shall be awarded to~~
11 ~~students concurrently enrolled under the agreement.~~

12 ~~Section 1.5. Section 1703-A of the act, amended June 29,~~
13 ~~2002 (P.L.524, No.88), is amended to read:~~

14 ~~Section 1703-A. Definitions. As used in this article,~~
15 ~~"Account" shall mean the State Charter School Entities~~
16 ~~Assessment Account.~~

17 ~~"Administrator" shall include an employe of a charter school~~
18 ~~entity, including the chief administrator of a charter school~~
19 ~~entity and any other employe, who by virtue of the employe's~~
20 ~~position is responsible for taking official action of a~~
21 ~~nonministerial nature with regard to contracting or procurement,~~
22 ~~administering or monitoring grants or subsidies, managing or~~
23 ~~regulating staff, student and school activities or any activity~~
24 ~~where the official action has an economic impact of greater than~~
25 ~~a de minimis nature on the interests of any person.~~

26 ~~["Appeal board" shall mean the State Charter School Appeal~~
27 ~~Board established by this article.]~~

28 ~~"Assessment" shall mean the Pennsylvania System of School~~
29 ~~Assessment test, the Keystone Exam or another test established~~
30 ~~by the State board to meet the requirements of section 2603-~~

1 ~~B(d)(10)(i) and required under the No Child Left Behind Act of~~
2 ~~2001 (Public Law 107 110, 115 Stat. 1425) or its successor~~
3 ~~Federal statute.~~

4 ~~"At risk student" shall mean a student at risk of educational~~
5 ~~failure because of limited English proficiency, poverty,~~
6 ~~community factors, truancy, academic difficulties or economic~~
7 ~~disadvantage.~~

8 ~~"Board" shall mean the State Charter School Entities Board~~
9 ~~established by this article.~~

10 ~~"Charter school" shall mean an independent public school~~
11 ~~established and operated under a charter from [the local board~~
12 ~~of school directors] a grantor and in which students are~~
13 ~~enrolled or attend. A charter school must be organized as a~~
14 ~~public, nonprofit corporation. Charters may not be granted to~~
15 ~~any for profit entity.~~

16 ~~"Charter school entity" shall mean a charter school, regional~~
17 ~~charter school or cyber charter school.~~

18 ~~"Charter school foundation" shall mean a nonprofit~~
19 ~~organization, as defined under section 501(c)(3) of the Internal~~
20 ~~Revenue Code of 1986 (Public Law 99 514, 26 U.S.C. § 501(c)(3)),~~
21 ~~that provides funding, resources or otherwise serves to support~~
22 ~~a charter school entity, either directly or through an~~
23 ~~affiliated entity.~~

24 ~~"Chief administrator" shall mean an individual appointed by a~~
25 ~~board of trustees to oversee and manage the operation of a~~
26 ~~charter school entity. The term shall not include a professional~~
27 ~~staff member under this article.~~

28 ~~["Chief executive officer" shall mean an individual appointed~~
29 ~~by the board of trustees to oversee and manage the operation of~~
30 ~~the charter school, but who shall not be deemed a professional~~

1 ~~staff member under this article.]~~

2 ~~"Committee" shall mean the Charter School Entities Funding~~
3 ~~Advisory Committee.~~

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

13 ~~"Department" shall mean the Department of Education of the~~
14 ~~Commonwealth.~~

15 ~~"Educational management service provider" shall mean a for-~~
16 ~~profit education management organization, nonprofit charter~~
17 ~~management organization, school design provider, business~~
18 ~~manager or any other partner entity with which a board of~~
19 ~~trustees of a charter school entity contracts to provide~~
20 ~~educational design, business services, comprehensive management~~
21 ~~or personnel functions or to implement the charter. The term~~
22 ~~shall not include a charter school foundation.~~

23 ~~"Grantor" shall mean one of the following:~~

24 ~~(1) a local board of school directors; or~~

25 ~~(2) the board in accordance with section 1721 A(h) (2),~~

26 ~~(2.1), (3), (3.1) and (4).~~

27 ~~"Immediate family member" shall mean a parent, spouse, child,~~
28 ~~brother or sister.~~

29 ~~"Local board of school directors" shall mean the board of~~
30 ~~directors of a school district in which a proposed or an~~

1 ~~approved charter school is located. The term shall include a~~
2 ~~special board of control or a school reform commission.~~

3 ~~"Nonrelated" shall mean an individual who is not an immediate~~
4 ~~family member.~~

5 ~~"Regional charter school" shall mean an independent public~~
6 ~~school established and operated under a charter from more than~~
7 ~~one local board of school directors or the board and in which~~
8 ~~students are enrolled or attend. A regional charter school must~~
9 ~~be organized as a public, nonprofit corporation. Charters may~~
10 ~~not be granted to any for profit entity.~~

11 ~~"Right to Know Law" shall mean the act of February 14, 2008~~
12 ~~(P.L.6, No.3), known as the "Right to Know Law."~~

13 ~~"School district of residence" shall mean the school district~~
14 ~~in this Commonwealth in which [the parents or guardians of a~~
15 ~~child reside] a child resides as determined under section 1302.~~

16 ~~"School entity" shall mean a school district, intermediate~~
17 ~~unit, joint school or area vocational technical school.~~

18 ~~"School Reform Commission" shall mean the School Reform~~
19 ~~Commission established under section 696.~~

20 ~~"Secretary" shall mean the Secretary of Education of the~~
21 ~~Commonwealth.~~

22 ~~"Special board of control" shall mean a special board of~~
23 ~~control established under section 692.~~

24 ~~"State board" shall mean the State Board of Education of the~~
25 ~~Commonwealth.~~

26 ~~Section 1.6. The act is amended by adding sections to read:~~

27 ~~Section 1705 A. State Charter School Entities Assessment~~
28 ~~Account. (a) The State Charter School Entities Assessment~~
29 ~~Account is established as a restricted account within the~~
30 ~~General Fund. Money in the account is hereby appropriated on a~~

1 ~~continuing basis to the board upon approval of the Governor to~~
2 ~~carry out its duties as set forth under this article.~~

3 ~~(b) Board funding shall be as follows:~~

4 ~~(1) The board shall annually seek Federal and nonprofit~~
5 ~~grants to support its operations and deposit the funding into~~
6 ~~the account.~~

7 ~~(2) The following apply:~~

8 ~~(i) Until the board establishes a fee structure under~~
9 ~~paragraph (3), the board shall be funded by an assessment fee,~~
10 ~~based upon the State and local revenues as reported on a charter~~
11 ~~school entity's most recent available annual financial report as~~
12 ~~published on the department's publicly accessible Internet~~
13 ~~website.~~

14 ~~(ii) Existing cyber charter schools shall pay an amount not~~
15 ~~more than three tenths of one per centum to the board.~~

16 ~~(iii) Existing charter schools and regional charter schools~~
17 ~~shall pay not more than fifteen hundredths of one per centum to~~
18 ~~the board.~~

19 ~~(iv) Fees collected under this section shall be deposited in~~
20 ~~the account.~~

21 ~~(3) The board shall develop a fee structure in accordance~~
22 ~~with the act of June 25, 1982 (P.L.633, No.181), known as the~~
23 ~~"Regulatory Review Act," for all charter school entities, which~~
24 ~~may include a sliding fee schedule, fee reduction incentives for~~
25 ~~performance, cost efficiencies and rebates.~~

26 ~~Section 1706 A. Charter School Entities Funding Advisory~~
27 ~~Committee.—(a) The following shall apply:~~

28 ~~(1) The Governor shall convene a Statewide advisory~~
29 ~~committee, to be known as the Charter School Entities Funding~~
30 ~~Advisory Committee, to examine the financing of charter school~~

~~1 entities in the public education system. The committee shall
2 examine how charter school entity finances affect opportunities
3 for teachers, parents, pupils and community members to establish
4 and maintain schools that operate independently from the
5 existing school district structure as a method to accomplish the
6 requirements of section 1702 A. The Office of the Budget and the
7 department shall provide administrative support, meeting space
8 and any other assistance required by the committee to carry out
9 its duties under this section.~~

~~10 (2) The committee shall consist of the following members:~~

~~11 (i) One member of the Senate appointed by the President pro
12 tempore of the Senate.~~

~~13 (ii) One member of the Senate appointed by the Majority
14 Leader of the Senate.~~

~~15 (iii) One member of the Senate appointed by the Minority
16 Leader of the Senate.~~

~~17 (iv) One member of the House of Representatives appointed by
18 the Speaker of the House of Representatives.~~

~~19 (v) One member of the House of Representatives appointed by
20 the Majority Leader of the House of Representative.~~

~~21 (vi) One member of the minority party of the House of
22 Representatives appointed by the Minority Leader of the House of
23 Representatives.~~

~~24 (vii) The secretary or a designee.~~

~~25 (viii) The chairman of the State board or a designee.~~

~~26 (ix) The following members who shall be appointed by the
27 Governor:~~

~~28 (A) One member who shall represent charter schools.~~

~~29 (B) One member who shall represent regional charter schools.~~

~~30 (C) One member who shall represent cyber charter schools.~~

1 ~~(D) One member who shall represent teachers, who may be a~~
2 ~~public school teacher, a charter school teacher, a regional~~
3 ~~charter school teacher, a cyber charter school teacher or a~~
4 ~~nonpublic school teacher.~~

5 ~~(E) One member who shall represent school administrators.~~

6 ~~(F) One member who shall represent school board members.~~

7 ~~(G) One member who shall represent a business manager of a~~
8 ~~school district.~~

9 ~~(H) One member who shall represent a parent of a child~~
10 ~~attending a charter school entity.~~

11 ~~(I) One member who shall represent an institution of higher~~
12 ~~education with experience in operating a charter school entity.~~

13 ~~(3) Members of the committee shall be appointed within~~
14 ~~twenty (20) days of the effective date of this section. Any~~
15 ~~vacancy on the committee shall be filled by the original~~
16 ~~appointing officer or agency. The committee shall select a~~
17 ~~chairman and vice chairman from among its membership at an~~
18 ~~organizational meeting. The organizational meeting must take~~
19 ~~place no later than thirty (30) days following the effective~~
20 ~~date of this section.~~

21 ~~(4) The committee shall hold meetings at the call of the~~
22 ~~chairman. The committee may hold public hearings on the matters~~
23 ~~to be considered by the committee at locations throughout this~~
24 ~~Commonwealth. All meetings and public hearings of the committee~~
25 ~~shall be deemed public meetings for the purpose of 65 Pa.C.S.~~
26 ~~Ch. 7 (relating to open meetings). Nine members of the committee~~
27 ~~shall constitute a quorum at any meeting. Each member of the~~
28 ~~committee may designate another person to represent that member~~
29 ~~at meetings of the committee.~~

30 ~~(5) Committee members shall receive no compensation for~~

~~1 their services but shall be reimbursed for all necessary travel
2 and other reasonable expenses incurred in connection with the
3 performance of their duties as members. Whenever possible, the
4 committee shall utilize the services and expertise of existing
5 personnel and staff of State government. The department may
6 utilize undistributed funds not expended, encumbered or
7 committed from appropriations for grants and subsidies made to
8 the department, not to exceed \$300,000, to carry out this
9 section.~~

~~10 (6) The committee shall have the following powers and
11 duties:~~

~~12 (i) Meet with current charter school entity operators within
13 this Commonwealth, including cyber charter schools with blended
14 programs.~~

~~15 (ii) Review charter school entity financing laws in
16 operation throughout the United States.~~

~~17 (iii) Evaluate and make recommendations on the following:~~

~~18 (A) Powers and duties extended to charter school entities as
19 they relate to financing.~~

~~20 (B) Funding formulas for charter school entities, including
21 reimbursement procedures and funding under Title I of the
22 Elementary and Secondary Education Act of 1965 (Public Law
23 89 10, 20 U.S.C. Ch. 63 et seq.).~~

~~24 (C) The process by which charter schools entities are funded
25 under section 1725 A.~~

~~26 (D) Student residency as it relates to funding.~~

~~27 (E) Special education and other special program funding.~~

~~28 (F) Charter school entity transportation.~~

~~29 (G) Charter school entity eligibility to receive grants and
30 funding.~~

1 ~~(H) Appropriate assessment fees on charter school entities.~~

2 ~~(I) Consideration of recognizing charter school entities for~~
3 ~~additional designations as a local education agency.~~

4 ~~(iv) The committee shall, no later than November 30, 2012,~~
5 ~~issue a report of its findings and recommendations to the~~
6 ~~Governor, the President pro tempore of the Senate, the Minority~~
7 ~~Leader of the Senate, the chairman and minority chairman of the~~
8 ~~Education Committee of the Senate, the Speaker of the House of~~
9 ~~Representatives, the Minority Leader of the House of~~
10 ~~Representatives and the chairman and minority chairman of the~~
11 ~~Education Committee of the House of Representatives.~~

12 ~~(b) (Reserved).~~

13 Section 1.7. Section 1715 A of the act, amended or added
14 June 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846,
15 No.61), is amended to read:

16 Section 1715 A. Charter School Requirements. ~~(a)~~ Charter
17 schools shall be required to comply with the following
18 provisions:

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

25 ~~(2) A charter school shall be accountable to the parents,~~
26 ~~the public and the Commonwealth, with the delineation of that~~
27 ~~accountability reflected in the charter. Strategies for~~
28 ~~meaningful parent and community involvement shall be developed~~
29 ~~and implemented by each school.~~

30 ~~(3) A charter school shall not unlawfully discriminate in~~

1 ~~admissions, hiring or operation.~~

2 ~~(4) A charter school shall be nonsectarian in all~~
3 ~~operations.~~

4 ~~(5) (i) A charter school shall not provide any religious~~
5 ~~instruction, nor shall it display religious objects and symbols~~
6 ~~on the premises of the charter school. The charter school entity~~
7 ~~shall provide for discrete and separate entrances to buildings~~
8 ~~utilized for school purposes only.~~

9 ~~(ii) It shall not be a violation of this section for a~~
10 ~~charter school entity to utilize a sectarian facility:~~

11 ~~(A) if the religious objects and symbols within the portions~~
12 ~~of the facility utilized by the school are covered or removed to~~
13 ~~the extent reasonably feasible; or~~

14 ~~(B) in which the unused portion of the facility or its~~
15 ~~common areas contain religious symbols and objects.~~

16 ~~(6) A charter school shall not advocate unlawful behavior.~~

17 ~~(7) A charter school shall only be subject to the laws and~~
18 ~~regulations as provided for in section 1732 A, or as otherwise~~
19 ~~provided for in this article.~~

20 ~~(8) (i) A charter school shall participate in [the~~
21 ~~Pennsylvania State Assessment System as provided for in 22 Pa.~~
22 ~~Code Ch. 5 (relating to curriculum), or subsequent regulations~~
23 ~~promulgated to replace 22 Pa. Code Ch. 5,] assessments in the~~
24 ~~manner in which the school district in which the charter school~~
25 ~~is located is scheduled to participate.~~

26 ~~(ii) A charter school entity shall be treated in the same~~
27 ~~manner as a school district for the purposes of measuring the~~
28 ~~charter entity's adequate yearly progress under the No Child~~
29 ~~Left Behind Act of 2001 or any successor statute.~~

30 ~~(9) A charter school shall provide a minimum of one hundred~~

1 ~~eighty (180) days of instruction or nine hundred (900) hours per~~
2 ~~year of instruction at the elementary level, or nine hundred~~
3 ~~ninety (990) hours per year of instruction at the secondary~~
4 ~~level. Nothing in this clause shall preclude the use of computer~~
5 ~~and satellite linkages for delivering instruction to students.~~

6 ~~(10) Boards of trustees and contractors of charter schools~~
7 ~~shall be subject to the following statutory requirements~~
8 ~~governing construction projects and construction related work:~~

9 ~~(i) The following provisions of this act:~~

10 ~~(A) Sections 751 and 751.1.~~

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

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

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

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

20 ~~(v) The act of March 3, 1978 (P.L.6, No.3), known as the~~
21 ~~"Steel Products Procurement Act."~~

22 ~~(11) Trustees of a charter school entity shall be public~~
23 ~~officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to~~
24 ~~ethics standards and financial disclosure) and shall file a~~
25 ~~statement of financial interests for the preceding calendar year~~
26 ~~with the State Ethics Commission and the grantor not later than~~
27 ~~May 1 of each year that members hold the position and of the~~
28 ~~year after a member leaves the position. All members of the~~
29 ~~board of trustees of a charter school entity shall take the oath~~
30 ~~of office as required under section 321 before entering upon the~~

1 ~~duties of their office.~~

2 ~~{(12) A person who serves as an administrator for a charter~~
3 ~~school shall not receive compensation from another charter~~
4 ~~school or from a company that provides management or other~~
5 ~~services to another charter school. The term "administrator"~~
6 ~~shall include the chief executive officer of a charter school~~
7 ~~and all other employees of a charter school who by virtue of~~
8 ~~their positions exercise management or operational oversight~~
9 ~~responsibilities. A person who serves as an administrator for a~~
10 ~~charter school shall be a public official under 65 Pa.C.S. Ch.~~
11 ~~11 (relating to ethics standards and financial disclosure). A~~
12 ~~violation of this clause shall constitute a violation of 65~~
13 ~~Pa.C.S. § 1103(a) (relating to restricted activities), and the~~
14 ~~violator shall be subject to the penalties imposed under the~~
15 ~~jurisdiction of the State Ethics Commission.}~~

16 ~~(b) An individual who serves as an administrator for a~~
17 ~~charter school entity shall be a public employe for the purposes~~
18 ~~of 65 Pa.C.S. Ch. 11 and shall file a statement of financial~~
19 ~~interests for the preceding calendar year with the board of~~
20 ~~trustees not later than May 1 of each year that the individual~~
21 ~~holds the position and of the year after the individual leaves~~
22 ~~the position.~~

23 ~~(c) (1) No individual who serves as an administrator for a~~
24 ~~charter school entity may receive compensation from another~~
25 ~~charter school entity or from an educational management service~~
26 ~~provider, unless:~~

27 ~~(i) The administrator has submitted a sworn statement to the~~
28 ~~charter school entity board of trustees and the sworn statement~~
29 ~~details the work for the other entity and includes the projected~~
30 ~~number of hours, rate of compensation and projected duration.~~

1 ~~(ii) The board of trustees has reviewed the sworn statement~~
2 ~~under subclause (i) and agreed by resolution to grant permission~~
3 ~~to the administrator.~~

4 ~~(2) A copy of the sworn statement under clause (1)(i) and~~
5 ~~the resolution by the board of trustees granting the permission~~
6 ~~shall be kept on file with the charter school entity and the~~
7 ~~grantor.~~

8 ~~(3) No administrator of a charter school entity or immediate~~
9 ~~family member may serve as a voting member of the board of~~
10 ~~trustees of that individual's charter school entity.~~

11 ~~(4) (i) No administrator of a charter school entity may~~
12 ~~participate in the selection, award or administration of a~~
13 ~~contract if the individual has a conflict of interest as that~~
14 ~~term is defined in 65 Pa.C.S. § 1102 (relating to definitions).~~

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

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

21 ~~(5) An administrator shall be immediately dismissed upon~~
22 ~~conviction for an offense graded as a felony, an infamous crime,~~
23 ~~an offense pertaining to fraud, theft or mismanagement of public~~
24 ~~funds or any crime involving moral turpitude.~~

25 ~~(d) The board of trustees of a charter school entity shall~~
26 ~~supply the grantor of the charter school entity and the~~
27 ~~secretary a list of the amount of rental payments, which are~~
28 ~~guarantees for school building debt or bonds that become due~~
29 ~~during the fiscal year together with the amount paid on each~~
30 ~~item of indebtedness. Any charter school entity that elects to~~

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

~~5 (c) Fund balance limit shall be as follows:~~

~~6 (1) For the 2013 2014 school year and each school year
7 thereafter, a charter school entity shall not accumulate an
8 unassigned fund balance greater than the charter school entity
9 fund balance limit, which will be determined as follows:~~

10	11	12
13	14	15
16	17	18
19	20	21
22	23	24
25	26	27
28	29	30
31	32	33
34	35	36
37	38	39
40	41	42
43	44	45
46	47	48
49	50	51
52	53	54
55	56	57
58	59	60
61	62	63
64	65	66
67	68	69
70	71	72
73	74	75
76	77	78
79	80	81
82	83	84
85	86	87
88	89	90
91	92	93
94	95	96
97	98	99
100	101	102

~~22 (2) Any unassigned fund balance in place on June 30, 2013,
23 that exceeds the charter school entity fund balance limit shall
24 be refunded on a pro rata basis within 90 days to all school
25 districts that paid tuition to the charter school entity on
26 behalf of students enrolled in the 2011 2012 and 2012 2013
27 school years. The funds may not be used to pay bonuses to any
28 administrator, board of trustee member, employe, staff or
29 contractor and may not be transferred to a charter school
30 foundation.~~

1 ~~(3) For the 2013-2014 school year and each school year~~
2 ~~thereafter, any unassigned fund balance in excess of the charter~~
3 ~~school entity fund balance limit shall be refunded on a pro rata~~
4 ~~basis to all school districts that paid tuition to the charter~~
5 ~~school entity in the prior school year.~~

6 ~~(4) By August 15, 2013, and August 15 of each year~~
7 ~~thereafter, each charter school entity shall provide its grantor~~
8 ~~and the board with information certifying compliance with this~~
9 ~~section. The information shall be provided in a form and manner~~
10 ~~prescribed by the board and shall include information on the~~
11 ~~charter school entity's estimated ending unassigned fund balance~~
12 ~~expressed as a dollar amount and as a percentage of the charter~~
13 ~~school entity's total budgeted expenditures for that school~~
14 ~~year.~~

15 Section 1.8. Section 1716 A(c) of the act, added June 19,
16 1997 (P.L.225, No.22), is amended and the section is amended by
17 adding subsections to read:

18 Section 1716 A. Powers of Board of Trustees. * * *

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

27 ~~(2) An employe of the grantor that chartered the charter~~
28 ~~school entity may serve as a member of the board of trustees~~
29 ~~without voting privileges.~~

30 ~~(b.2) (1) No member of the board of trustees of a charter~~

1 ~~school entity may participate in the selection, award or~~
2 ~~administration of any contract if the member has a conflict of~~
3 ~~interest as that term is defined in 65 Pa.C.S. § 1102 (relating~~
4 ~~to definitions).~~

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

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

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

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

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

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

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

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

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

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

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

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

22 ~~(f) (1) In any case where the board of trustees of a~~
23 ~~charter school fails to pay or to provide for for the payment~~
24 ~~of:~~

25 ~~(i) any indebtedness at date of maturity or date of~~
26 ~~mandatory redemption or on any sinking fund deposit date; or~~

27 ~~(ii) any interest due on such indebtedness on any interest~~
28 ~~payment date or on any sinking fund deposit date in accordance~~
29 ~~with the schedule under which the bonds were issued.~~

30 ~~The bank or trustee for the bonds shall notify the board of~~

1 ~~charter school trustees of its obligation and shall immediately~~
2 ~~notify the grantor of the charter school and the secretary.~~

3 ~~(2) The secretary shall withhold any appropriation due the~~
4 ~~charter school in any amount necessary to fully fund the amount~~
5 ~~held in escrow by the charter school which shall be equal to the~~
6 ~~sum of the principal amount maturing or subject to mandatory~~
7 ~~redemption and interest owing by the charter school or sinking~~
8 ~~fund deposit due by such charter school and shall require~~
9 ~~payover of the amount withheld to the bank or trustee acting as~~
10 ~~the sinking fund depository for the bond issue from the escrow~~
11 ~~account.~~

12 ~~(3) Payments made pursuant to this article shall not be~~
13 ~~given priority over payments required pursuant to sections 633~~
14 ~~and 785 and 53 Pa.C.S. § 8125(b) (relating to security for tax~~
15 ~~anticipation notes and sinking fund), or an agreement pursuant~~
16 ~~to which the board is required to make payment to a holder of~~
17 ~~debt issued by or on behalf of a school entity.~~

18 ~~Section 1.9. Sections 1717 A, 1718 A and 1719 A of the act,~~
19 ~~added June 19, 1997 (P.L.225, No.22), are amended to read:~~

20 ~~Section 1717 A. Establishment of Charter School. (a) A~~
21 ~~charter school may be established by an individual; one or more~~
22 ~~teachers who will teach at the proposed charter school; parents~~
23 ~~or guardians of students who will attend the charter school; any~~
24 ~~nonsectarian college, university or museum located in this~~
25 ~~Commonwealth; any nonsectarian corporation not for profit, as~~
26 ~~defined in 15 Pa.C.S. (relating to corporations and~~
27 ~~unincorporated associations); any corporation, association or~~
28 ~~partnership; or any combination thereof. [A charter school may~~
29 ~~be established by creating a new school or by converting an~~
30 ~~existing public school or a portion of an existing public~~

1 ~~school.] A charter school must be organized as a public,~~
2 ~~nonprofit corporation. A charter may not be granted to a for-~~
3 ~~profit entity. No charter school shall be established or funded-~~
4 ~~by and no charter shall be granted to any sectarian school,~~
5 ~~institution or other entity. No funds allocated or disbursed-~~
6 ~~under this article shall be used to directly support instruction-~~
7 ~~pursuant to section 1327.1.~~

8 ~~(b) (1) The conversion of an existing public school or~~
9 ~~portion of an existing public school to a charter school may be~~
10 ~~initiated by any individual or entity authorized to establish a~~
11 ~~charter school under subsection (a).~~

12 ~~(2) In order to convert an existing public school to a~~
13 ~~charter school, the applicants must show that:~~

14 ~~(i) More than fifty per centum of the teaching staff in the~~
15 ~~public school have signed a petition in support of the public~~
16 ~~school becoming a charter school; and~~

17 ~~(ii) More than fifty per centum of the parents or guardians~~
18 ~~of pupils attending that public school have signed a petition in~~
19 ~~support of the school becoming a charter school.~~

20 ~~(3) In no event shall the board of school directors serve as~~
21 ~~the board of trustees of an existing school which is converted~~
22 ~~to a charter school pursuant to this subsection.~~

23 ~~(4) (Reserved).~~

24 ~~(5) (Reserved).~~

25 ~~(6) This article shall apply to an existing public school~~
26 ~~building or a portion of an existing public school building~~
27 ~~converted to a charter school.~~

28 ~~(7) In the case of an existing school being converted to a~~
29 ~~charter school, the local board of school directors, the special~~
30 ~~board of control or the School Reform Commission shall establish~~

1 ~~the alternative arrangements for current students who choose not~~
2 ~~to attend the charter school.~~

3 ~~(8) In the case of an existing school being converted to a~~
4 ~~charter school, preference for enrollment shall be given to~~
5 ~~students residing within the former attendance boundary of that~~
6 ~~school.~~

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

17 ~~(c.1) Grantors shall be as follows:~~

18 ~~(1) The following entities shall be grantors of charter~~
19 ~~schools and regional charter schools:~~

20 ~~(i) The board in accordance with section 1721 A(h) (2.1),~~
21 ~~(3), (3.1) and (4).~~

22 ~~(ii) A local board of school directors.~~

23 ~~(2) The board shall be the grantor of cyber charter schools~~
24 ~~and regional charter schools.~~

25 ~~(c.2) Grantor powers and duties shall be as follows:~~

26 ~~(1) The board shall have the following powers and duties:~~

27 ~~(i) Receive, review and act on applications for the creation~~
28 ~~of a charter school entity in accordance with section~~
29 ~~1721 A(h) (2), (2.1), (3), (3.1) and (4), obtain input from~~
30 ~~interested persons or entities and hold hearings regarding~~

1 ~~applications.~~

2 ~~(ii) Execute a charter with an approved charter school~~
3 ~~entity applicant.~~

4 ~~(iii) Monitor and evaluate the operation of each charter~~
5 ~~school entity granted by the board on an annual basis in order~~
6 ~~to determine whether the charter school entity is in compliance~~
7 ~~with the terms of its charter and all applicable laws and~~
8 ~~regulations, and identify and implement corrective action to~~
9 ~~remedy issues of noncompliance.~~

10 ~~(iv) Renew, revoke or deny renewal of a charter school~~
11 ~~entity's charter under section 1729 A.~~

12 ~~(2) The local board of school directors shall have the~~
13 ~~following powers and duties:~~

14 ~~(i) Receive, review and act on applications for the creation~~
15 ~~of a charter school or regional charter school, obtain input~~
16 ~~from interested persons or entities and hold hearings regarding~~
17 ~~applications.~~

18 ~~(ii) Execute a charter with an approved charter school or~~
19 ~~regional charter school applicant.~~

20 ~~(iii) Monitor and evaluate the operation of each charter~~
21 ~~school or regional charter school granted by the local board of~~
22 ~~school directors on an annual basis in order to determine~~
23 ~~whether the charter school or regional charter school is in~~
24 ~~compliance with the terms of its charter and all applicable laws~~
25 ~~and regulations, and identify and implement corrective action to~~
26 ~~remedy issues of noncompliance.~~

27 ~~(iv) Renew, revoke or deny renewal of a charter school or~~
28 ~~regional charter school's charter under section 1729 A.~~

29 ~~(d) Within forty five (45) days of receipt of an~~
30 ~~application, the [local board of school directors in which the~~

1 ~~proposed charter school is to be located] grantor shall hold at~~
2 ~~least one public hearing on the provisions of the charter~~
3 ~~application, under [the act of July 3, 1986 (P.L.388, No.84),~~
4 ~~known as the "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open~~
5 ~~meetings). At least forty five (45) days must transpire between~~
6 ~~the first public hearing and the final decision of the [board]~~
7 ~~grantor on the charter application except that for a charter~~
8 ~~school beginning in the 1997-1998 school year, only thirty (30)~~
9 ~~days must transpire between the first public hearing and the~~
10 ~~final decision of the board.~~

11 ~~(c) (1) Not later than seventy five (75) days after the~~
12 ~~first public hearing on the application, the [local board of~~
13 ~~school directors] grantor shall grant or deny the application.~~
14 ~~For a charter school beginning in the 1997-1998 school year, the~~
15 ~~local board of school directors shall grant or deny the~~
16 ~~application no later than sixty (60) days after the first public~~
17 ~~hearing.~~

18 ~~(2) A charter school application submitted under this~~
19 ~~article shall be evaluated by the [local board of school~~
20 ~~directors] grantor based on criteria, including, but not limited~~
21 ~~to, the following:~~

22 ~~(i) The demonstrated, sustainable support for the charter~~
23 ~~school plan by teachers, parents, other community members and~~
24 ~~students, including comments received at the public hearing held~~
25 ~~under subsection (d).~~

26 ~~(ii) The capability of the charter school applicant, in~~
27 ~~terms of support and planning, to provide comprehensive learning~~
28 ~~experiences to students pursuant to the adopted charter.~~

29 ~~(iii) The extent to which the application considers the~~
30 ~~information requested in section 1719 A and conforms to the~~

1 ~~legislative intent outlined in section 1702 A.~~

2 ~~{(iv) The extent to which the charter school may serve as a~~
3 ~~model for other public schools.}~~

4 ~~(3) The local board of school directors, in the case of an~~
5 ~~existing school being converted to a charter school, shall~~
6 ~~establish the alternative arrangements for current students who~~
7 ~~choose not to attend the charter school.~~

8 ~~(4) A charter application shall be deemed approved by the~~
9 ~~{local board of school directors of a school district} grantor~~
10 ~~upon affirmative vote by a majority of all the {directors}~~
11 ~~members. Formal action approving or denying the application~~
12 ~~shall be taken by the {local board of school directors} grantor~~
13 ~~at a public meeting, with notice or consideration of the~~
14 ~~application given by the {board} grantor, under {the "Sunshine~~
15 ~~Act."} 65 Pa.C.S. Ch. 7.~~

16 ~~(5) Written notice of the {board's} grantor's action shall~~
17 ~~be sent to the applicant, the department and the {appeal} board.~~
18 ~~If the application is denied, the reasons for the denial,~~
19 ~~including a description of deficiencies in the application,~~
20 ~~shall be clearly stated in the notice sent by the {local board~~
21 ~~of school directors} grantor to the charter school applicant.~~

22 ~~(f) (1) At the option of the charter school applicant, a~~
23 ~~denied application may be revised and resubmitted to the {local~~
24 ~~board of school directors. Following the appointment and~~
25 ~~confirmation of the Charter School Appeal Board under section~~
26 ~~1721 A, the decision of the local board of school directors may~~
27 ~~be appealed to the appeal board.} grantor that initially denied~~
28 ~~the application.~~

29 ~~(2) At the option of the charter school applicant, a denied~~
30 ~~application by a local board of school directors may be appealed~~

1 ~~directly to the board.~~

2 ~~(3) When an application is revised and resubmitted to the~~
3 ~~local board of school directors, or the board under this~~
4 ~~section, either may schedule additional public hearings on the~~
5 ~~revised application. The board or local board of school~~
6 ~~directors shall consider the revised and resubmitted application~~
7 ~~at the first [board] meeting occurring at least forty five (45)~~
8 ~~days after receipt of the revised application [by the board. For~~
9 ~~a revised application resubmitted for the 1997-1998 school year,~~
10 ~~the board shall consider the application at the first board~~
11 ~~meeting occurring at least thirty (30) days after its receipt].~~
12 ~~The board shall provide notice of consideration of the revised~~
13 ~~application under [the "Sunshine Act." No appeal from a decision~~
14 ~~of a local school board may be taken until July 1, 1999.] 65~~
15 ~~Pa.C.S. Ch. 7.~~

16 ~~(g) Notwithstanding the provisions of subsection (e) (5),~~
17 ~~failure by the local board of directors to hold a public hearing~~
18 ~~and to grant or deny the application for a charter school within~~
19 ~~the time periods specified in subsections (d), (e) and (f) shall~~
20 ~~permit the applicant for a charter to file its application as an~~
21 ~~appeal to the [appeal] board. In such case, the [appeal] board~~
22 ~~shall review the application and make a decision to grant or~~
23 ~~deny a charter based on the criteria established in subsection~~
24 ~~(e) (2). The board shall review the application de novo. The~~
25 ~~board shall not be bound by, but may consider, the factual or~~
26 ~~legal conclusions of the local board of school directors.~~

27 ~~(h) In the case of a review by the [appeal] board of an~~
28 ~~application that is revoked or is not renewed, the [appeal]~~
29 ~~board shall make its decision based on the criteria established~~
30 ~~in subsection (e) (2). [A decision by the appeal board under this~~

1 ~~subsection or subsection (g) to grant, to renew or not to revoke~~
2 ~~a charter shall serve as a requirement for the local board of~~
3 ~~directors of a school district or school districts, as~~
4 ~~appropriate, to sign the written charter of the charter school~~
5 ~~as provided for in section 1720 A. Should the local board of~~
6 ~~directors fail to grant the application and sign the charter~~
7 ~~within ten (10) days of notice of reversal of the decision of~~
8 ~~the local board of directors, the charter shall be deemed to be~~
9 ~~approved and shall be signed by the chairman of the appeal~~
10 ~~board.]~~

11 ~~(i) (1) The [appeal] board shall have the exclusive review~~
12 ~~of an appeal by a charter school applicant, or by the board of~~
13 ~~trustees of an existing charter school, of a decision made by a~~
14 ~~local board of directors not to grant a charter as provided in~~
15 ~~this section.~~

16 ~~(2) In order for a charter school applicant to be eligible~~
17 ~~to appeal the denial of a charter by the local board of~~
18 ~~directors, the applicant must obtain the signatures of at least~~
19 ~~two per centum of the residents of the school district or of one~~
20 ~~thousand (1,000) residents, whichever is less, who are over~~
21 ~~eighteen (18) years of age. For a regional charter school, the~~
22 ~~applicant must obtain the signatures of at least two per centum~~
23 ~~of the residents of each school district granting the charter or~~
24 ~~of one thousand (1,000) residents from each of the school~~
25 ~~districts granting the charter, whichever is less, who are over~~
26 ~~eighteen (18) years of age. The signatures shall be obtained~~
27 ~~within sixty (60) days of the denial of the application by the~~
28 ~~local board of directors in accordance with clause (3).~~

29 ~~(3) Each person signing a petition to appeal denial of a~~
30 ~~charter under clause (2) shall declare that he or she is a~~

1 ~~resident of the school district which denied the charter~~
2 ~~application and shall include his or her printed name;~~
3 ~~signature; address, including city, borough or township, with~~
4 ~~street and number, if any; and the date of signing. All pages~~
5 ~~shall be bound together. Additional pages of the petition shall~~
6 ~~be numbered consecutively. There shall be appended to the~~
7 ~~petition a statement that the local board of directors rejected~~
8 ~~the petition for a charter school, the names of all applicants~~
9 ~~for the charter, the date of denial by the board and the~~
10 ~~proposed location of the charter school. No resident may sign~~
11 ~~more than one petition relating to the charter school~~
12 ~~application within the sixty (60) days following denial of the~~
13 ~~application. The department shall develop a form to be used to~~
14 ~~petition for an appeal.~~

15 ~~(4) Each petition shall have appended thereto the affidavit~~
16 ~~of some person, not necessarily a signer, setting forth all of~~
17 ~~the following:~~

18 ~~(i) That the affiant is a resident of the school district~~
19 ~~referred to in the petition.~~

20 ~~(ii) The affiant's residence, giving city, borough or~~
21 ~~township, with street and number, if any.~~

22 ~~(iii) That the signers signed with full knowledge of the~~
23 ~~purpose of the petition.~~

24 ~~(iv) That the signers' respective residences are correctly~~
25 ~~stated in the petition.~~

26 ~~(v) That the signers all reside in the school district.~~

27 ~~(vi) That each signer signed on the date set forth opposite~~
28 ~~the signer's name.~~

29 ~~(vii) That to the best of the affiant's knowledge and~~
30 ~~belief, the signers are residents of the school district.~~

1 ~~(5) If the required number of signatures are obtained within~~
2 ~~sixty (60) days of the denial of the application, the applicant~~
3 ~~may present the petition to the court of common pleas of the~~
4 ~~county in which the charter school would be situated. The court~~
5 ~~shall hold a hearing only on the sufficiency of the petition.~~
6 ~~The applicant and local board of school directors shall be given~~
7 ~~seven (7) days' notice of the hearing. The court shall issue a~~
8 ~~decree establishing the sufficiency or insufficiency of the~~
9 ~~petition. If the petition is sufficient, the decree shall be~~
10 ~~transmitted to the State Charter School Appeal Board for review~~
11 ~~in accordance with this section. Notification of the decree~~
12 ~~shall be given to the applicant and the local board of~~
13 ~~directors.~~

14 ~~{(6) In any appeal, the decision made by the local board of~~
15 ~~directors shall be reviewed by the appeal board on the record as~~
16 ~~certified by the local board of directors. The appeal board~~
17 ~~shall give due consideration to the findings of the local board~~
18 ~~of directors and specifically articulate its reasons for~~
19 ~~agreeing or disagreeing with those findings in its written~~
20 ~~decision. The appeal board shall have the discretion to allow~~
21 ~~the local board of directors and the charter school applicant to~~
22 ~~supplement the record if the supplemental information was~~
23 ~~previously unavailable.}~~

24 ~~(7) Not later than thirty (30) days after the date of notice~~
25 ~~of the acceptance of the appeal, the [appeal] board shall meet~~
26 ~~to officially review the certified record.~~

27 ~~(8) Not later than sixty (60) days following the review~~
28 ~~conducted pursuant to clause (6), the [appeal] board shall issue~~
29 ~~a written decision affirming or denying the appeal. If the~~
30 ~~[appeal] board has affirmed the decision of the local board of~~

1 ~~directors, notice shall be provided to both parties.~~

2 ~~(9) [A] If the decision of the [appeal] board is to reverse~~
3 ~~the decision of the local board of directors [shall serve as a~~
4 ~~requirement for the local board of directors of a school~~
5 ~~district or school districts, as appropriate, to grant the~~
6 ~~application and sign the written charter of the charter school~~
7 ~~as provided for in section 1720 A. Should the local board of~~
8 ~~directors fail to grant the application and sign the charter~~
9 ~~within ten (10) days of notice of the reversal of the decision~~
10 ~~of the local board of directors, the charter shall be deemed to~~
11 ~~be approved and shall be signed by the chairman of the appeal~~
12 ~~board.], the board shall grant the application and sign the~~
13 ~~written charter of the charter school as the grantor as provided~~
14 ~~for in section 1720 A.~~

15 ~~(10) If the board is reviewing an appeal of a revocation or~~
16 ~~nonrenewal decision, the board shall review the record and shall~~
17 ~~have the discretion to supplement the record if the supplemental~~
18 ~~information was previously unavailable. The board may consider~~
19 ~~the charter school entity's plan, annual reports, student~~
20 ~~performance and employe and community support for the charter~~
21 ~~school entity in addition to the record. The board shall review~~
22 ~~the appeal de novo. The board shall not be bound by, but may~~
23 ~~consider, the factual or legal conclusions of the local board of~~
24 ~~school directors.~~

25 ~~(11) If the board determines that the charter should not be~~
26 ~~revoked or should be renewed, the board shall issue an order~~
27 ~~reversing the decision of the local board of school directors~~
28 ~~and shall initiate charter transfer proceedings under section~~
29 ~~1733 A(c) (5).~~

30 ~~(12) Except as provided in clause (13), the charter shall~~

1 ~~remain in effect until final disposition by the board.~~

2 ~~(13) In cases where the health or safety of the school's~~
3 ~~students, staff or both is at serious risk, the grantor may take~~
4 ~~immediate action to revoke a charter.~~

5 ~~(14) When a charter is revoked, not renewed, forfeited,~~
6 ~~surrendered or otherwise ceases to operate, the charter school~~
7 ~~entity shall be dissolved. After the disposition of any~~
8 ~~liabilities and obligations of the charter school entity, any~~
9 ~~remaining assets of the charter school entity, both real and~~
10 ~~personal, shall be distributed on a proportional basis to the~~
11 ~~school entities with students enrolled in the charter school~~
12 ~~entity for the last full or partial school year of the charter~~
13 ~~school entity. In no event shall such school entities or the~~
14 ~~Commonwealth be liable for any outstanding liabilities or~~
15 ~~obligations of the charter school entity.~~

16 ~~(15) When a charter is revoked or is not renewed, a student~~
17 ~~who attended the charter school entity shall apply to another~~
18 ~~public school in the student's school district of residence.~~
19 ~~Normal application deadlines will be disregarded under these~~
20 ~~circumstances. All student records maintained by the charter~~
21 ~~school entity shall be forwarded to the student's district of~~
22 ~~residence.~~

23 ~~{(10)} (16) All decisions of the [appeal] board shall be~~
24 ~~subject to appellate review by the Commonwealth Court.~~

25 ~~Section 1718 A. Regional Charter School. (a) [A regional~~
26 ~~charter school may be established by an individual, one or more~~
27 ~~teachers who will teach at the proposed charter school; parents~~
28 ~~or guardians of students who will attend the charter school; any~~
29 ~~nonsectarian college, university or museum located in this~~
30 ~~Commonwealth; any nonsectarian corporation not for profit, as~~

1 ~~defined in 15 Pa.C.S. (relating to corporations and~~
2 ~~unincorporated associations); any corporation, association or~~
3 ~~partnership; or any combination thereof. A regional charter~~
4 ~~school may be established by creating a new school or by~~
5 ~~converting an existing public school or a portion of an existing~~
6 ~~public school. Conversion of an existing public school to a~~
7 ~~regional charter school shall be accomplished in accordance with~~
8 ~~section 1714 A(b). No regional charter school shall be~~
9 ~~established or funded by and no charter shall be granted to any~~
10 ~~sectarian school, institution or other entity.~~

11 ~~(b) The boards of school directors of one or more school~~
12 ~~districts may act jointly to receive and consider an application~~
13 ~~for a regional charter school, except that any action to approve~~
14 ~~an application for a charter or to sign a written charter of an~~
15 ~~applicant shall require an affirmative vote of a majority of all~~
16 ~~the directors of each of the school districts involved. The~~
17 ~~applicant shall apply for a charter to the board of directors of~~
18 ~~any school district in which the charter school will be located.~~

19 ~~(c) The provisions of this article as they pertain to~~
20 ~~charter schools and the powers and duties of the local board of~~
21 ~~school directors of a school district and the appeal board shall~~
22 ~~apply to regional charter schools, except as provided in~~
23 ~~subsections (a) and (b) or as otherwise clearly stated in this~~
24 ~~article.] The following apply:~~

25 ~~(1) A regional charter school may be established by any~~
26 ~~individual or entity allowed under section 1717 A(a).~~

27 ~~(2) A regional charter school may be established by creating~~
28 ~~a new school under subsection (b) or by converting an existing~~
29 ~~public school building or a portion of an existing public school~~
30 ~~building. Conversion of an existing public school building or a~~

1 ~~portion of an existing public school building to a regional~~
2 ~~charter school shall be accomplished in accordance with section~~
3 ~~1717 A(b).~~

4 ~~(3) No regional charter school may be established or funded~~
5 ~~by, and no charter shall be granted to, any sectarian school,~~
6 ~~institution or other entity.~~

7 ~~(4) A regional charter school must be organized as a public,~~
8 ~~nonprofit corporation. A charter may not be granted to any for-~~
9 ~~profit entity.~~

10 ~~(b) The following apply to applications:~~

11 ~~(1) The local boards of school directors of one or more~~
12 ~~school districts may act jointly to receive and consider an~~
13 ~~application for a regional charter school, except that any~~
14 ~~action to approve an application for a charter or to sign a~~
15 ~~written charter of an applicant shall require an affirmative~~
16 ~~vote of a majority of all the directors of each of the school~~
17 ~~districts involved. The applicant shall apply for a charter to~~
18 ~~the local board of school directors of any school district in~~
19 ~~which the regional charter school will be located.~~

20 ~~(2) If students from five or more school districts will be~~
21 ~~enrolled in a regional charter school, the board may receive and~~
22 ~~consider an application for a regional charter school. Any~~
23 ~~action to approve an application for a charter or to sign a~~
24 ~~written charter of an applicant under this section shall require~~
25 ~~an affirmative vote of a majority of all board members.~~

26 ~~(c) The provisions of this article relating to charter~~
27 ~~schools and the powers and duties of grantors shall apply to~~
28 ~~regional charter schools, except as provided under this article.~~

29 Section 1719 A. Contents of Application. [An] ~~(a) The~~
30 ~~board shall create a standard application for charter school~~

1 ~~applicants to establish a charter school. The form shall include~~
2 ~~all of the following information:~~

3 ~~(1) The identification of the charter school entity~~
4 ~~applicant.~~

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

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

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

15 ~~(4.1) A clear description of the roles and responsibilities~~
16 ~~for the board of trustees, administrators and any other~~
17 ~~entities, including a charter school foundation, shown in the~~
18 ~~organization chart.~~

19 ~~(4.2) A clear description and method for the appointment or~~
20 ~~election of members of the board of trustees.~~

21 ~~(4.3) Standards for board performance, including compliance~~
22 ~~with all applicable laws, regulations and terms of the charter.~~

23 ~~(4.4) If the charter school intends to contract with an~~
24 ~~educational management service provider for services, all of the~~
25 ~~following:~~

26 ~~(i) Evidence of the education management service provider's~~
27 ~~record in serving student populations, including demonstrated~~
28 ~~academic achievement and demonstrated management of nonacademic~~
29 ~~school functions, including proficiency with public school based~~
30 ~~accounting, if applicable.~~

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

2 ~~(A) The officers, chief administrator and administrators of~~
3 ~~the education management service provider.~~

4 ~~(B) The proposed duration of the service contract.~~

5 ~~(C) Roles and responsibilities of the governing board, the~~
6 ~~school staff and the educational management service provider.~~

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

9 ~~(E) Performance evaluation measures and timelines.~~

10 ~~(F) The compensation structure, including clear~~
11 ~~identification of all fees to be paid to the educational~~
12 ~~management service provider.~~

13 ~~(G) Methods of contract oversight and enforcement.~~

14 ~~(H) Investment disclosure or the advance of moneys by the~~
15 ~~educational management service provider on behalf of the charter~~
16 ~~school entity.~~

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

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

25 ~~(5) The mission and education goals of the charter school,~~
26 ~~the curriculum to be offered and the methods of assessing~~
27 ~~whether students are meeting educational goals.~~

28 ~~(6) The admission policy and criteria for evaluating the~~
29 ~~admission of students which shall comply with the requirements~~
30 ~~of section 1723 A.~~

1 ~~(7) Procedures which will be used regarding the suspension-~~
2 ~~or expulsion of pupils. Said procedures shall comply with-~~
3 ~~section 1318.~~

4 ~~(8) Information on the manner in which community groups will-~~
5 ~~be involved in the charter school planning process.~~

6 ~~(9) The financial plan for the charter school and the-~~
7 ~~provisions which will be made for auditing the school under~~
8 ~~[section] sections 437 and 1728 A, including the role of any~~
9 ~~charter school foundation.~~

10 ~~(10) Procedures which shall be established to review-~~
11 ~~complaints of parents regarding the operation of the charter-~~
12 ~~school.~~

13 ~~(11) A description of and address of the physical facility-~~
14 ~~in which the charter school entity will be located and the-~~
15 ~~ownership thereof and any lease arrangements.~~

16 ~~(12) Information on the proposed school calendar for the-~~
17 ~~charter school entity, including the length of the school day-~~
18 ~~and school year consistent with the provisions of section 1502.~~

19 ~~(13) The proposed faculty, if already determined, and a-~~
20 ~~professional development and continuing education plan for the-~~
21 ~~faculty and professional staff of [a] the charter school.~~

22 ~~(14) Whether any agreements have been entered into or plans-~~
23 ~~developed with the local school district regarding participation-~~
24 ~~of the charter school students in extracurricular activities-~~
25 ~~within the school district. Notwithstanding any provision to the-~~
26 ~~contrary, no school district of residence shall prohibit a-~~
27 ~~student of a charter school from participating in any-~~
28 ~~extracurricular activity of that school district of residence:-~~
29 ~~Provided, That the student is able to fulfill all of the-~~
30 ~~requirements of participation in such activity and the charter-~~

1 ~~school does not provide the same extracurricular activity.~~

2 ~~(15) A report of criminal history record, pursuant to~~
3 ~~section 111, for all individuals identified in the application~~
4 ~~who shall have direct contact with students and a plan for~~
5 ~~satisfying the proper criminal history record clearances~~
6 ~~required for all other staff.~~

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

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

17 ~~(18) Policies regarding truancy, absences and withdrawal of~~
18 ~~students, including the manner in which the charter school~~
19 ~~entity will monitor attendance consistent with section 1715 A(a)~~
20 ~~(9).~~

21 ~~(19) How the charter school entity will meet the standards~~
22 ~~included in the performance matrix developed by the board under~~
23 ~~section 1721 A(h) (11).~~

24 ~~(20) Indicate whether or not the charter school will seek~~
25 ~~accreditation by a nationally recognized accreditation agency,~~
26 ~~including the Middle States Association of Colleges and Schools~~
27 ~~or another regional institutional accrediting agency recognized~~
28 ~~by the United States Department of Education or an equivalent~~
29 ~~federally recognized body for charter school education.~~

30 ~~(b) A grantor may not impose additional terms, develop a~~

1 ~~separate application or require additional information outside~~
2 ~~the standard application form required under subsection (a).~~

3 Section 1.10. Section 1720 A of the act, amended July 9,
4 2008 (P.L.846, No.61), is amended to read:

5 Section 1720 A. Term and Form of Charter. (a) Upon
6 approval of a charter application under section 1717 A, a
7 written charter shall be developed which shall contain the
8 provisions of the standardized charter application under section
9 1719 A and which shall be signed by the [local board of school
10 directors of a school district, by the local boards of school
11 directors of a school district in the case of a regional charter
12 school or by the chairman of the appeal board pursuant to
13 section 1717 A(i)(5)] grantor and the board of trustees of the
14 charter school entity. This written charter, when duly signed by
15 the [local board of school directors of a school district, or by
16 the local boards of school directors of a school district in the
17 case of a regional charter school,] grantor and the charter
18 [school's] school entity's board of trustees, shall act as legal
19 authorization for the establishment of a charter school entity.
20 This written charter shall be legally binding on both the [local
21 board of school directors of a school district] grantor and the
22 charter [school's] school entity's board of trustees. [Except as
23 otherwise provided in subsection (b), the] If the charter school
24 entity contracts with an educational management service
25 provider, an executed contract shall be signed once the charter
26 is approved. The charter shall be for a period of [no less than
27 three (3) nor more than] five (5) years and may be renewed for
28 [five (5)] ten (10) year periods upon [reauthorization] renewal
29 by the [local board of school directors of a school district or
30 the appeal board] grantor. A charter will be granted only for a

1 ~~school organized as a public, nonprofit corporation.~~

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

11 ~~(2) A one year renewal pursuant to paragraph (1) shall not~~
12 ~~be considered an adjudication and may not be appealed to the~~
13 ~~State Charter School Appeal Board.~~

14 ~~(3) A governing board of a school district of the first~~
15 ~~class does not have the authority to renew a charter for~~
16 ~~successive one (1) year periods] (Reserved).~~

17 ~~(c) (1) A charter school may request amendments to its~~
18 ~~approved written charter by filing a written document describing~~
19 ~~the requested amendment to the grantor.~~

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

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

29 ~~(4) An applicant for an amendment shall have the right to~~
30 ~~appeal the denial of a requested amendment to the board provided~~

1 ~~for under section 1721 A. The board shall review the appeal de~~
2 ~~novo. The board shall not be bound by, but may consider, the~~
3 ~~factual or legal conclusion of the local board of school~~
4 ~~directors.~~

5 Section 1.11. ~~Section 1721 A of the act, added June 19, 1997~~
6 ~~(P.L.225, No.22), is amended to read:~~

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

17 (1) ~~A parent of a school aged child enrolled at a charter~~
18 ~~school entity.~~

19 (2) ~~A school board member.~~

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

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

24 (5) ~~A member of the business community.~~

25 (6) ~~A member of the State Board of Education.~~

26 (7) ~~An administrator of a charter school entity.~~

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

29 (9) ~~A member with expertise in school business~~
30 ~~administration or financing.~~

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

12 (b) ~~The [appeal] board shall meet [as needed] at least~~
13 ~~monthly to fulfill the purposes provided in this [subsection]~~
14 ~~section. A majority of the members of the [appeal] board shall~~
15 ~~constitute a quorum, and a majority of the members of the~~
16 ~~[appeal] board shall have authority to act upon any matter~~
17 ~~properly before the [appeal] board. The [appeal] board is~~
18 ~~authorized to establish rules for its operation.~~

19 (c) ~~The members shall receive no payment for their services.~~
20 ~~Members who are not employes of State government shall be~~
21 ~~reimbursed for expenses incurred in the course of their official~~
22 ~~duties [from funds appropriated for the general government~~
23 ~~operations of the department].~~

24 ~~{(d) The department shall provide assistance and staffing~~
25 ~~for the appeal board. The Governor, through the Governor's~~
26 ~~General Counsel, shall provide such legal advice and assistance~~
27 ~~as the appeal board may require.}~~

28 (e) ~~Meetings of the [appeal] board shall be conducted under~~
29 ~~[the act of July 3, 1986 (P.L.388, No.84), known as the~~
30 ~~"Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

1 Documents of the [appeal] board shall be subject to the [act of
2 June 21, 1957 (P.L.390, No.212), referred to as the Right to
3 Know Law.] "Right to Know Law."

4 ~~(f) An executive director shall be appointed by the members
5 of the board. The executive director shall be paid compensation
6 as determined by the board. The executive director may employ
7 personnel and contract for consulting services as necessary and
8 may carry out the purposes of this article if the services are
9 procured through a competitive bidding process.~~

10 ~~(g) All board hearings shall be conducted in accordance with
11 2 Pa.C.S. Ch. 5 Subch. A (relating to practice and procedure of
12 Commonwealth agencies).~~

13 ~~(h) The board shall have the following powers and duties:~~

14 ~~(1) Implement this article and promulgate regulations.~~

15 ~~(2) Serve as a grantor for cyber charter schools.~~

16 ~~(2.1) Serve as a grantor for regional charter schools as
17 provided under section 1718 A(b) (2).~~

18 ~~(3) Serve as a grantor for charter schools who elect to
19 transfer their charter under section 1733 A(c).~~

20 ~~(3.1) Serve as a grantor for charter schools it approves
21 under section 1717 A(i) (11).~~

22 ~~(4) Serve as a grantor for charter schools it approves under
23 section 1717 A(i) (9).~~

24 ~~(5) Develop and issue standardized forms and reports that
25 shall be used by all applicants, grantors and charter school
26 entities under sections 1717 A, 1718 A, 1719 A, 1728 A, 1733 A,
27 1734 A, 1741 A, 1743 A and 1747 A. The board may receive input
28 from the department, grantors and charter school entity
29 operators to develop the standardized forms.~~

30 ~~(6) Receive, review and act on applications for the creation~~

1 ~~of a charter school entity as provided for under section~~
2 ~~1721 A(h) (2), (2.1), (3), (3.1) and (4), obtain input from~~
3 ~~interested persons or entities and hold hearings regarding~~
4 ~~applications.~~

5 ~~(7) Monitor and evaluate on an annual basis the operation of~~
6 ~~each charter school entity the board serves as a grantor in~~
7 ~~order to determine whether the school is in compliance with the~~
8 ~~terms of its charter and applicable statutes and regulations,~~
9 ~~and identify and implement corrective action to remedy any~~
10 ~~issues of noncompliance.~~

11 ~~(8) Set assessment fees through the promulgation of~~
12 ~~regulations, subject to the act of June 25, 1982 (P.L.633,~~
13 ~~No.181), known as the "Regulatory Review Act," on charter school~~
14 ~~entities as provided under section 1705 A.~~

15 ~~(9) For all charter school entities that the board serves as~~
16 ~~a grantor, renew, revoke or deny renewal of a school's charter~~
17 ~~under section 1729 A.~~

18 ~~(10) Receive, review and act on multiple charter school~~
19 ~~organization transfers under sections 1733 A(d) and 1734 A.~~

20 ~~(11) Develop a standard performance matrix as follows:~~

21 ~~(i) Within one year of the effective date of this subclause,~~
22 ~~the board shall develop a standard performance matrix to~~
23 ~~evaluate charter school entity performance and shall promulgate~~
24 ~~regulations pursuant to the "Regulatory Review Act" to implement~~
25 ~~this section.~~

26 ~~(ii) The performance matrix may assess performance by~~
27 ~~utilizing objective criteria, including:~~

28 ~~(A) Student performance on the Pennsylvania System of School~~
29 ~~Assessment test, the Keystone Exam or another test established~~
30 ~~by the State board to meet the requirements of section~~

1 ~~2603-B(d)(10)(i) and required under the No Child Left Behind Act~~
2 ~~of 2001 (Public Law 107-110, 115 Stat. 1425) or its successor~~
3 ~~Federal statute.~~

4 ~~(B) Annual growth as measured by the Pennsylvania Value~~
5 ~~Added Assessment System.~~

6 ~~(C) Attendance.~~

7 ~~(D) Attrition rates.~~

8 ~~(E) Graduation rates.~~

9 ~~(F) Other standardized test scores.~~

10 ~~(G) School safety.~~

11 ~~(H) Parent satisfaction.~~

12 ~~(I) Accreditation by a nationally recognized accreditation~~
13 ~~agency, including the Middle States Association of Colleges and~~
14 ~~Schools or another regional institutional accrediting agency~~
15 ~~recognized by the United States Department of Education or an~~
16 ~~equivalent federally recognized body for charter school~~
17 ~~education.~~

18 ~~(J) Other measures of school quality.~~

19 ~~(iii) The board shall develop the performance matrix with~~
20 ~~input from charter school entity operators and may contract for~~
21 ~~consulting services with an entity that has experience in~~
22 ~~developing performance matrices if the services are procured~~
23 ~~through a competitive bidding process.~~

24 ~~(iv) Grantors shall utilize the standard performance matrix~~
25 ~~as a primary factor in evaluating new and renewal charter school~~
26 ~~entity applicants, and in the annual monitoring and evaluation~~
27 ~~of charter school entities.~~

28 ~~(v) The standard performance matrix shall be distributed by~~
29 ~~the board to all known grantors and shall be published on the~~
30 ~~board's publicly accessible Internet website.~~

1 ~~(vi) Grantors shall utilize the standard performance matrix~~
2 ~~as a primary factor in evaluating new and renewal charter school~~
3 ~~entity applicants, and in the annual monitoring and evaluation~~
4 ~~of charter school entities.~~

5 ~~(12) Provide a list of nationally recognized accreditation~~
6 ~~agencies, including the Middle States Association of Colleges~~
7 ~~and Schools or other regional institutional accrediting agencies~~
8 ~~recognized by the United States Department of Education or an~~
9 ~~equivalent federally recognized body for charter school~~
10 ~~education, that a charter school entity may use to seek~~
11 ~~accreditation.~~

12 ~~(13) Develop a hearing process for consideration of charter~~
13 ~~school and regional charter school appeals of denied amendments~~
14 ~~under section 1720 A(c) and for cyber charter amendments under~~
15 ~~section 1745 A(f).~~

16 ~~(14) Develop policies, procedures and regulations pertaining~~
17 ~~to cyber charter school student truancy.~~

18 ~~(15) Employ personnel and contract for consulting services~~
19 ~~as may be necessary and carry out the purposes of this article~~
20 ~~if the services are procured through a competitive bidding~~
21 ~~process.~~

22 ~~(16) Refer to the district attorney with jurisdiction or to~~
23 ~~the Office of Attorney General for prosecution if the board~~
24 ~~discovers or receives information about possible violations of~~
25 ~~law by any person affiliated with or employed by a grantor or a~~
26 ~~charter school entity.~~

27 Section 1.12. Section 1722 A of the act, amended November
28 17, 2010 (P.L.996, No.104), is amended to read:

29 Section 1722 A. Facilities. (a) A charter school may be
30 located in an existing public school building, in a part of an

1 ~~existing public school building, in space provided on a~~
2 ~~privately owned site, in a public building or in any other~~
3 ~~suitable location.~~

4 ~~(b) The charter school facility shall be exempt from public~~
5 ~~school facility regulations except those pertaining to the~~
6 ~~health or safety of [the pupils] students.~~

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

11 ~~(e) (1) Notwithstanding the provisions of section 204 of~~
12 ~~the act of May 22, 1933 (P.L.853, No.155), known as The General~~
13 ~~County Assessment Law, all school property, real and personal,~~
14 ~~owned by any charter school, cyber charter school or an~~
15 ~~associated nonprofit foundation, or owned by a nonprofit~~
16 ~~corporation, associated nonprofit corporation or nonprofit~~
17 ~~foundation and leased to a charter school[, cyber charter~~
18 ~~school] entity [or], associated nonprofit foundation or~~
19 ~~associated nonprofit corporation at or below fair market value,~~
20 ~~that is occupied and used by any charter school or cyber charter~~
21 ~~school for public school, recreation or any other purposes~~
22 ~~provided for by this act, shall be made exempt from every kind~~
23 ~~of State, county, city, borough, township or other real estate~~
24 ~~tax, including payments in lieu of taxes established through~~
25 ~~agreement with the Commonwealth or any local taxing authority,~~
26 ~~as well as from all costs or expenses for paving, curbing,~~
27 ~~sidewalks, sewers or other municipal improvements, Provided,~~
28 ~~That any charter school or cyber charter school or owner of~~
29 ~~property leased to a charter school [or cyber charter school]~~
30 ~~entity may make a municipal improvement in a street on which its~~

1 ~~school property abuts or may contribute a sum toward the cost of~~
2 ~~the improvement.~~

3 ~~(2) Any agreement entered into by a charter school[, cyber-~~
4 ~~charter school or] entity, associated nonprofit foundation or~~
5 ~~associated nonprofit corporation with the Commonwealth or a~~
6 ~~local taxing authority for payments in lieu of taxes prior to~~
7 ~~December 31, 2009, shall be null and void.~~

8 ~~(3) This subsection shall apply retroactively to all charter-~~
9 ~~[schools, cyber charter schools and] school entities, associated~~
10 ~~nonprofit foundations and associated nonprofit corporations that~~
11 ~~filed an appeal from an assessment, as provided in Article V of~~
12 ~~The General County Assessment Law, prior to the effective date~~
13 ~~of this subsection and until such time as a final order has been~~
14 ~~entered.~~

15 ~~(4) For purposes of this subsection, "local taxing~~
16 ~~authority" shall include, but not be limited to, a county, city,~~
17 ~~borough, incorporated town, township or school district.~~

18 ~~(f) (1) Alcoholic beverages shall not be available for~~
19 ~~consumption, purchase or sale in any charter school entity~~
20 ~~facility.~~

21 ~~(2) If the grantor reasonably believes that alcoholic~~
22 ~~beverages have been made available for consumption, purchase or~~
23 ~~sale in any charter school entity facility, the grantor shall~~
24 ~~notify the department, and the secretary shall order the~~
25 ~~following forfeitures against the charter school entity:~~

26 ~~(i) A fine of one thousand dollars (\$1,000) for the first~~
27 ~~violation.~~

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

30 ~~(3) The charter school entity may appeal the order of the~~

1 ~~secretary under 2 Pa.C.S. Chs. 5 (relating to practice and~~
2 ~~procedure) and 7 (relating to judicial review).~~

3 Section 1.13. ~~Section 1723 A(a) and (d) of the act, amended~~
4 ~~June 26, 1999 (P.L.394, No.36) and July 9, 2008 (P.L.846,~~
5 ~~No.61), are amended to read:~~

6 Section 1723 A. Enrollment. ~~(a) All resident children in~~
7 ~~this Commonwealth qualify for admission to a charter school~~
8 ~~entity within the provisions of subsection (b). If more students~~
9 ~~apply to the charter school entity than the number of attendance~~
10 ~~slots available in the school, then students must be selected on~~
11 ~~a random basis from a pool of qualified applicants meeting the~~
12 ~~established eligibility criteria and submitting an application~~
13 ~~by the deadline established by the charter school, except that~~
14 ~~the charter school entity may give preference in enrollment to a~~
15 ~~child of a parent who has actively participated in the~~
16 ~~development of the charter school [and], to siblings of students~~
17 ~~presently enrolled in the charter school and to siblings of~~
18 ~~students selected for enrollment during the lottery process.~~
19 ~~First preference shall be given to students who reside in the~~
20 ~~district or districts.~~

21 * * *

22 ~~(d) (1) Enrollment of students in a charter school [or~~
23 ~~cyber charter school] entity shall not be subject to a cap or~~
24 ~~otherwise limited by any past or future action of a board of~~
25 ~~school directors, a board of control established under Article~~
26 ~~XVII B, a special board of control established under section 692~~
27 ~~or any other governing authority[, unless agreed to by the~~
28 ~~charter school or cyber charter school as part of a written~~
29 ~~charter pursuant to section 1720 A].~~

30 ~~(2) The provisions of this subsection shall apply to a~~

1 ~~charter school [or cyber charter school] entity regardless of~~
2 ~~whether the charter was approved prior to or is approved~~
3 ~~subsequent to the effective date of this subsection.~~

4 ~~Section 1.14. Section 1724 A(d) of the act, added June 19,~~
5 ~~1997 (P.L.225, No.22) is amended to read:~~

6 ~~Section 1724 A. School Staff. * * *~~

7 ~~(d) Every employe of a charter school shall be provided the~~
8 ~~[same] similar health care benefits as the employe would be~~
9 ~~provided if he or she were an employe of the local district. The~~
10 ~~local board of school directors may require the charter school~~
11 ~~to provide the [same] similar terms and conditions with regard~~
12 ~~to health insurance as the collective bargaining agreement of~~
13 ~~the school district to include employe contributions to the~~
14 ~~district's health benefits plan. The charter school shall make~~
15 ~~any required employer's contribution to the district's health~~
16 ~~plan to an insurer, a local board of school directors or a~~
17 ~~contractual representative of school employes, whichever is~~
18 ~~appropriate to provide the required coverage.~~

19 ~~* * *~~

20 ~~Section 1.15. Section 1725 A of the act, amended or added~~
21 ~~June 19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35)~~
22 ~~and June 29, 2002 (P.L.524, No.88), is amended to read:~~

23 ~~Section 1725 A. Funding for Charter Schools. (a) [Funding~~
24 ~~for a charter school shall be provided in the following manner:~~

25 ~~(1) There shall be no tuition charge for a resident or~~
26 ~~nonresident student attending a charter school.~~

27 ~~(2) For non special education students, the charter school~~
28 ~~shall receive for each student enrolled no less than the~~
29 ~~budgeted total expenditure per average daily membership of the~~
30 ~~prior school year, as defined in section 2501(20), minus the~~

1 ~~budgeted expenditures of the district of residence for nonpublic~~
2 ~~school programs; adult education programs; community/junior~~
3 ~~college programs; student transportation services; for special~~
4 ~~education programs; facilities acquisition, construction and~~
5 ~~improvement services; and other financing uses, including debt~~
6 ~~service and fund transfers as provided in the Manual of~~
7 ~~Accounting and Related Financial Procedures for Pennsylvania~~
8 ~~School Systems established by the department. This amount shall~~
9 ~~be paid by the district of residence of each student.~~

10 ~~(3) For special education students, the charter school shall~~
11 ~~receive for each student enrolled the same funding as for each~~
12 ~~non special education student as provided in clause (2), plus an~~
13 ~~additional amount determined by dividing the district of~~
14 ~~residence's total special education expenditure by the product~~
15 ~~of multiplying the combined percentage of section 2509.5(k)~~
16 ~~times the district of residence's total average daily membership~~
17 ~~for the prior school year. This amount shall be paid by the~~
18 ~~district of residence of each student.~~

19 ~~(4) A charter school may request the intermediate unit in~~
20 ~~which the charter school is located to provide services to~~
21 ~~assist the charter school to address the specific needs of~~
22 ~~exceptional students. The intermediate unit shall assist the~~
23 ~~charter school and bill the charter school for the services. The~~
24 ~~intermediate unit may not charge the charter school more for any~~
25 ~~service than it charges the constituent districts of the~~
26 ~~intermediate unit.~~

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

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

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

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

~~1 student in a charter school, starting with school year
2 1997-1998. Total payments of temporary financial assistance to
3 school districts on behalf of a student enrolling in a charter
4 school who attended a nonpublic school in the prior school year
5 shall be limited to funds appropriated for this program in a
6 fiscal year. If the total of the amount needed for all students
7 enrolled in a nonpublic school in the prior school year who
8 enroll in a charter school exceeds the appropriation for the
9 temporary financial assistance program, the amount paid to a
10 school district for each qualifying student shall be pro rata
11 reduced. Receipt of funds under this subsection shall not
12 preclude a school district from applying for a grant under
13 subsection (c).~~

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

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

~~30 (e) It shall be unlawful for any trustee of a charter school~~

1 ~~or any board of trustees of a charter school or any other person~~
2 ~~affiliated in any way with a charter school to demand or~~
3 ~~request, directly or indirectly, any gift, donation or~~
4 ~~contribution of any kind from any parent, teacher, employe or~~
5 ~~any other person affiliated with the charter school as a~~
6 ~~condition for employment or enrollment and/or continued~~
7 ~~attendance of any pupil. Any donation, gift or contribution~~
8 ~~received by a charter school shall be given freely and~~
9 ~~voluntarily.] Funding for a charter school entity shall be~~
10 ~~provided in the following manner and shall not be in violation~~
11 ~~of any applicable Federal or State law, regulation or agreement:~~

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

14 ~~(2) The following apply:~~

15 ~~(i) For nonspecial education students, the charter school~~
16 ~~entity shall receive for each student enrolled no less than the~~
17 ~~budgeted total expenditure per average daily membership of the~~
18 ~~prior school year, as defined in section 2501(20), minus the~~
19 ~~budgeted expenditures of the district of residence for all of~~
20 ~~the following:~~

21 ~~(A) Nonpublic school programs.~~

22 ~~(B) Adult education programs.~~

23 ~~(C) Community and junior college programs.~~

24 ~~(D) Student transportation services.~~

25 ~~(E) Special education programs.~~

26 ~~(F) Facilities acquisition, construction and improvement~~
27 ~~services.~~

28 ~~(G) Other financing uses, including debt service and fund~~
29 ~~transfers as provided in the Manual of Accounting and Related~~
30 ~~Financial Procedures for Pennsylvania School Systems established~~

1 ~~by the department.~~

2 ~~(i.1) The amount under subclause (i) shall be calculated by~~
3 ~~each school district on a form prescribed by the secretary in~~
4 ~~accordance with this section. The secretary, upon receipt of a~~
5 ~~district's calculation, shall review the district's calculation~~
6 ~~and may request supporting documentation from the district~~
7 ~~regarding its calculation. If the secretary finds an error or~~
8 ~~discrepancy in a district's calculation, the secretary shall~~
9 ~~require the district to correct the calculation and require the~~
10 ~~school district to notify affected charter school entities.~~

11 ~~(ii) The following apply:~~

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

16 ~~(B) If a charter school entity disputes the accuracy of a~~
17 ~~district's calculation under this clause, the charter school~~
18 ~~entity shall file a notice of the dispute with the secretary,~~
19 ~~who shall hold a hearing to determine the accuracy of the~~
20 ~~district's calculation within thirty (30) days of the notice.~~

21 ~~(C) The secretary shall determine the accuracy of the~~
22 ~~district's calculation within thirty (30) days of the hearing.~~

23 ~~(D) The district shall bear the burden of production and~~
24 ~~proof with respect to its calculation under this clause.~~

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

1 ~~under this section.~~

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

4 ~~(3) The following apply:~~

5 ~~(i) For special education students, the charter school~~
6 ~~entity shall receive for each student enrolled the same funding~~
7 ~~as for each nonspecial education student as provided under~~
8 ~~clause (2), plus an additional amount determined by dividing the~~
9 ~~total special education expenditure of the school district of~~
10 ~~residence by the product of:~~

11 ~~(A) the combined percentage of section 2509.5(k) applicable~~
12 ~~to the school year; and~~

13 ~~(B) the total average daily membership of the school~~
14 ~~district of residence for the prior school year.~~

15 ~~(ii) The amount under subclause (i) shall be paid by the~~
16 ~~school district of residence of each student by deduction and~~
17 ~~transfer from all State payments due to the district as provided~~
18 ~~under clause (5).~~

19 ~~(iii) If a charter school entity disputes the accuracy of a~~
20 ~~district's calculation under this clause, the charter school~~
21 ~~entity shall file a notice of the dispute with the secretary,~~
22 ~~who shall hold a hearing to determine the accuracy of the~~
23 ~~district's calculation within thirty (30) days of the notice.~~

24 ~~(iv) The secretary shall determine the accuracy of the~~
25 ~~district's calculation within thirty (30) days of the hearing.~~

26 ~~(v) The district shall bear the burden of production and~~
27 ~~proof with respect to its calculation under this clause.~~

28 ~~(vi) The district shall be liable for the reasonable legal~~
29 ~~fees incurred by a charter school entity if the charter school~~
30 ~~entity is the substantially prevailing party after a hearing~~

1 ~~under this section. The charter school entity shall be liable~~
2 ~~for the reasonable legal fees incurred by the school district if~~
3 ~~the district is the substantially prevailing party after a~~
4 ~~hearing under this section.~~

5 ~~(vii) All decisions of the secretary under this section~~
6 ~~shall be subject to appellate review by Commonwealth Court.~~

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

21 ~~(5) The following apply:~~

22 ~~(i) Payments shall be made to the charter school entity in~~
23 ~~twelve (12) equal monthly payments, according to the established~~
24 ~~monthly unipay schedule within the operating school year.~~

25 ~~(ii) Except as provided for in subelause (v), payments shall~~
26 ~~be made directly by the secretary deducting and paying to the~~
27 ~~charter school entity the estimated amount, as documented by the~~
28 ~~charter school entity, from all State payments due to the~~
29 ~~district or, if no payments are due to the district from all~~
30 ~~State payments reasonably expected to be due in the next~~

1 ~~established monthly unipay schedule, after receipt of~~
2 ~~documentation from the charter school entity as to its~~
3 ~~enrollment.~~

4 ~~(iii) The secretary's obligation to make payments under this~~
5 ~~section is mandatory and ministerial.~~

6 ~~(iv) If there are insufficient State payments due to a~~
7 ~~district in the established monthly unipay schedule to cover all~~
8 ~~charter school entity deductions and transfers, the district~~
9 ~~shall be responsible for paying the unpaid balance directly to~~
10 ~~the charter school entity not more than seven (7) days following~~
11 ~~the established monthly unipay schedule.~~

12 ~~(v) The board of trustees of a charter school entity may~~
13 ~~elect on an annual basis to be paid directly from the school~~
14 ~~district of residence. Any board of trustees of a charter school~~
15 ~~entity that elects to be paid directly by the school district of~~
16 ~~residence shall notify the department in accordance with the~~
17 ~~timelines established in the department guidelines. The school~~
18 ~~district of residence shall provide for payment to the charter~~
19 ~~school entity as follows:~~

20 ~~(A) Payments shall be made to the charter school entity in~~
21 ~~twelve (12) equal monthly payments, according to the established~~
22 ~~monthly unipay schedule, within the operating school year.~~

23 ~~(B) Payments shall be made directly by the school district~~
24 ~~of residence paying to the charter school entity the estimated~~
25 ~~amount, as documented by the charter school entity, after~~
26 ~~receipt of documentation from the charter school entity as to~~
27 ~~its enrollment.~~

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

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

3 ~~(6) The following apply:~~

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

8 ~~(ii) The secretary shall provide the school district with an~~
9 ~~opportunity to be heard concerning whether the charter school~~
10 ~~entity documented that its students were enrolled in the charter~~
11 ~~school entity, the period of time during which each student was~~
12 ~~enrolled, the school district of residence of each student and~~
13 ~~whether the amounts deducted from or paid by the school district~~
14 ~~were accurate.~~

15 ~~(iii) The burden of proof and production at the hearing~~
16 ~~shall be on the school district. A hearing shall not be held~~
17 ~~before the secretary deducts and transfers to the charter school~~
18 ~~entity the amount estimated by the charter school entity.~~

19 ~~(iv) The district shall be liable for the reasonable legal~~
20 ~~fees incurred by a charter school entity if the charter school~~
21 ~~entity is the substantially prevailing party after a hearing~~
22 ~~under this section. The charter school entity shall be liable~~
23 ~~for the reasonable legal fees incurred by the district if the~~
24 ~~district is the substantially prevailing party after a hearing~~
25 ~~under this section.~~

26 ~~(v) All decisions of the secretary under this section shall~~
27 ~~be subject to appellate review by Commonwealth Court.~~

28 ~~(vi) Supersedeas shall not be granted to the secretary or~~
29 ~~any party to the proceeding on an appeal from the decision of~~
30 ~~the secretary under this section; and, absent a court order, the~~

1 ~~secretary shall not hold any payments in escrow.~~

2 ~~(b) It shall be lawful for any charter school entity to~~
3 ~~receive, hold, manage and use, absolutely or in trust, any~~
4 ~~devise, bequest, grant, endowment, gift or donation of any~~
5 ~~property, real or personal and mixed, which shall be made to the~~
6 ~~charter school entity for any purpose of this article.~~

7 ~~(c) It shall be unlawful for any trustee of a charter school~~
8 ~~entity or any board of trustees of a charter school entity or~~
9 ~~any other person affiliated in any way with a charter school~~
10 ~~entity to demand or request, directly or indirectly, any gift,~~
11 ~~donation or contribution of any kind from any parent, teacher,~~
12 ~~employe or any other person affiliated with the school as a~~
13 ~~condition for employment or enrollment and continued attendance~~
14 ~~of any pupil. Any donation, gift or contribution received by a~~
15 ~~charter school entity must be given freely and voluntarily.~~

16 ~~(d) A cyber charter school may not provide discounts to a~~
17 ~~school district or waive payments under this section for any~~
18 ~~student.~~

19 ~~(e) The department shall develop a transition procedure to~~
20 ~~be able to recoup in subsequent fiscal years any payments made~~
21 ~~in error to a charter school entity as a result of direct~~
22 ~~payment by the department to the charter school entity.~~

23 ~~Section 1.16. Sections 1727 A and 1728 A of the act, added~~
24 ~~June 19, 1997 (P.L.225, No.22), are amended to read:~~

25 ~~Section 1727 A. Tort Liability. For purposes of tort~~
26 ~~liability, employes of the charter school shall be considered~~
27 ~~public employes and the board of trustees shall be considered~~
28 ~~the public employer in the same manner as political subdivisions~~
29 ~~and local agencies. The board of trustees of a charter school~~
30 ~~and the charter school shall be solely liable for any and all~~

1 ~~damages of any kind resulting from any legal challenge involving~~
2 ~~the operation of a charter school. Notwithstanding this~~
3 ~~requirement, the [local board of directors of a school entity]~~
4 ~~grantor shall not be held liable for any activity or operation~~
5 ~~related to the program of the charter school.~~

6 ~~Section 1728 A. Annual Reports and Assessments. (a) (1)~~

7 ~~The [local board of school directors] grantor shall annually~~
8 ~~assess whether each charter school is meeting the goals of its~~
9 ~~charter and shall conduct a comprehensive review prior to~~
10 ~~granting a [five (5)] ten (10) year renewal of the charter. The~~
11 ~~[local board of school directors] grantor shall have ongoing~~
12 ~~access to the records and facilities of the charter school to~~
13 ~~ensure that the charter school is in compliance with its charter~~
14 ~~and this act and that requirements for testing, civil rights and~~
15 ~~student health and safety are being met.~~

16 ~~(2) Ongoing reasonable access to a charter school entity's~~
17 ~~records shall mean that the grantor shall have access to records~~
18 ~~such as financial reports, financial audits, aggregate~~
19 ~~standardized test scores without student identifying information~~
20 ~~and teacher certification and personnel records.~~

21 ~~(3) Charter school entities and their grantors shall comply~~
22 ~~fully with the requirements of the Family Educational Rights and~~
23 ~~Privacy Act of 1974 (Public Law 90 247, 20 U.S.C. § 1232g) and~~
24 ~~associated regulations. No personally identifiable information~~
25 ~~from education records shall be provided by the charter school~~
26 ~~entity to the school district except in compliance with the~~
27 ~~Family Educational Rights and Privacy Act of 1974.~~

28 ~~(b) In order to facilitate the [local board's review and~~
29 ~~secretary's report] grantor's review, each charter school shall~~
30 ~~submit an annual report no later than August 1 of each year to~~

1 ~~the [local board of school directors and the secretary] grantor~~
2 ~~in the form prescribed by the [secretary] board.~~

3 ~~{(c) Five (5) years following the effective date of this~~
4 ~~article, the secretary shall contract with an independent~~
5 ~~professional consultant with expertise in public and private~~
6 ~~education. The consultant shall receive input from members of~~
7 ~~the educational community and the public on the charter school~~
8 ~~program. The consultant shall submit a report to the secretary,~~
9 ~~the Governor and the General Assembly and an evaluation of the~~
10 ~~charter school program, which shall include a recommendation on~~
11 ~~the advisability of the continuation, modification, expansion or~~
12 ~~termination of the program and any recommendations for changes~~
13 ~~in the structure of the program.}~~

14 ~~(c.1) For fiscal year 2013 2014 and each fiscal year~~
15 ~~thereafter, all grantors other than the board shall submit to~~
16 ~~the board an annual financial report on a standard form~~
17 ~~developed by the board by October 1. The financial report shall~~
18 ~~list all oversight activities performed by the grantor in the~~
19 ~~previous year, as well as a financial accounting of all staff~~
20 ~~and resources used for oversight activities for each charter~~
21 ~~school entity chartered by the grantor. The annual financial~~
22 ~~report under this subsection shall be a public document under~~
23 ~~the "Right to Know Law" and shall be made available on the~~
24 ~~board's publicly accessible Internet website.~~

25 ~~(c.2) In order to facilitate the grantor's review, each~~
26 ~~charter school entity shall submit an annual report on a~~
27 ~~standard form developed by the board no later than September 1~~
28 ~~of each year to the authorizer. Within ten days of receipt of~~
29 ~~the annual report, the grantor shall certify to the charter~~
30 ~~school entity that the annual report has been received with an~~

~~1 indication of the date of receipt. Within 30 days of the date of
2 receipt, the grantor shall certify to the charter school entity
3 that the annual report has been reviewed and is complete or
4 alternatively, has been reviewed and is missing specific
5 information referenced in the certification.~~

~~6 (d) A charter school entity shall form an independent audit
7 committee of its board members which shall review at the close
8 of each fiscal year a complete certified audit of the operations
9 of the charter school entity. The audit shall be conducted by a
10 qualified independent certified public accountant. The audit
11 shall be conducted under generally accepted audit standards of
12 the Governmental Accounting Standards Board and shall include
13 the following:~~

~~14 (1) An enrollment test to verify the accuracy of student
15 enrollment and reporting to the State.~~

~~16 (2) Full review of expense reimbursements for board members
17 and administrators, including sampling of all reimbursements.~~

~~18 (3) Review of internal controls, including review of
19 receipts and disbursements.~~

~~20 (4) Review of annual Federal and State tax filings,
21 including the Internal Revenue Service Code Form 990, Return of
22 Organization Exempt from Income Tax and all related schedules
23 and appendices for the charter school entity and charter school
24 foundation, if applicable.~~

~~25 (5) Review of the financial statements of any charter school
26 foundation, which shall be included in the independent audit.~~

~~27 (6) Review the selection and acceptance process of all
28 contracts publicly bid pursuant to section 751.~~

~~29 (7) Review of all board policies and procedures with regard
30 to internal controls, code of ethics, conflicts of interest,~~

1 ~~whistle blower protections, complaints from parents or the~~
2 ~~public, compliance with 65 Pa.C.S. Ch. 7 (relating to open~~
3 ~~meetings), compliance with the "Right to Know Law," finances,~~
4 ~~budgeting, audits, public bidding and bonding.~~

5 ~~(e) The certified audit under subsection (d) and the annual~~
6 ~~budget under subsection (g) are public documents under the~~
7 ~~"Right to Know Law," and shall be made available on the~~
8 ~~grantor's publicly accessible Internet website and the charter~~
9 ~~school entity's publicly accessible Internet website, if~~
10 ~~applicable.~~

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

14 ~~(g) A charter school entity shall annually provide the~~
15 ~~grantor and the department with a copy of the annual budget for~~
16 ~~the operation of the school that identifies the following:~~

17 ~~(1) The source of funding for all expenditures as part of~~
18 ~~its reporting under subsection (a).~~

19 ~~(2) If funding is provided by a charter school foundation,~~
20 ~~the amount of funds and a description of the use of the funds.~~

21 ~~(3) The salaries of all administrators of the charter school~~
22 ~~entity.~~

23 ~~(4) All expenditures to an educational management service~~
24 ~~provider.~~

25 ~~(h) (1) Notwithstanding any other provision of law, a~~
26 ~~charter school entity and any affiliated charter school~~
27 ~~foundation shall make copies of its annual Federal and State tax~~
28 ~~filings available upon request and on the foundation's or~~
29 ~~school's publicly accessible Internet website, if applicable,~~
30 ~~including Internal Revenue Service Code Form 990, Return of~~

1 ~~Organization Exempt from Income Tax and all related schedules~~
2 ~~and appendices.~~

3 ~~(2) The charter school foundation shall also make copies of~~
4 ~~its annual budget available upon request and on the foundation's~~
5 ~~or the school's publicly accessible Internet website within~~
6 ~~thirty (30) days of the close of the foundation's fiscal year.~~

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

9 Section 1.17. ~~Section 1729 A of the act, amended or added~~
10 ~~June 19, 1997 (P.L.225, No.22), July 4, 2004 (P.L.536, No.70)~~
11 ~~and July 9, 2008 (P.L.846, No.61), is amended to read:~~

12 Section 1729 A. ~~Causes for Nonrenewal or Termination.~~ (a)
13 ~~During the term of the charter or at the end of the term of the~~
14 ~~charter, the [local board of school directors] grantor may~~
15 ~~choose to revoke or not to renew the charter based on any of the~~
16 ~~following:~~

17 ~~(1) One or more material violations of any of the~~
18 ~~conditions, standards or procedures contained in the written~~
19 ~~charter signed pursuant to section 1720 A.~~

20 ~~(2) Failure to meet the requirements for student performance~~
21 ~~[set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or~~
22 ~~subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]~~
23 ~~assessments or failure to meet any performance standard set~~
24 ~~forth in the written charter signed pursuant to section 1716 A.~~

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

27 ~~(4) Violation of provisions of this article.~~

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

1 ~~{(6) The charter school has been convicted of fraud.}~~

2 ~~(a.1) When a charter school located in a school district of~~
3 ~~the first class is in corrective action status and seeks renewal~~
4 ~~of its charter, if the governing body of the school district of~~
5 ~~the first class renews the charter, it may place specific~~
6 ~~conditions in the charter that require the charter school to~~
7 ~~meet specific student performance targets within stated periods~~
8 ~~of time subject to the following:~~

9 ~~(i) The performance targets and the periods of time in which~~
10 ~~the performance targets must be met shall be reasonable.~~

11 ~~(ii) The placement of conditions in a charter as specified~~
12 ~~in this subsection shall not be considered an adjudication and~~
13 ~~may not be appealed to the [State Charter School Appeal Board]~~
14 ~~board.~~

15 ~~(iii) If the charter school fails to meet the performance~~
16 ~~targets within the stated period of time, such failure shall be~~
17 ~~sufficient cause for revocation of the charter.~~

18 ~~(a.2) In making a determination under subsection (a), a~~
19 ~~grantor may consider failure to satisfactorily meet the~~
20 ~~performance standards set forth in the performance matrix~~
21 ~~developed by the board under section 1721 A(h)(11).~~

22 ~~(b) [A member of the board of trustees who is convicted of a~~
23 ~~felony or any crime involving moral turpitude shall be~~
24 ~~immediately disqualified from serving on the board of trustees.]~~
25 ~~If, after a hearing under this section, a grantor proves by a~~
26 ~~preponderance of the evidence that an administrator or board~~
27 ~~member of a charter school entity has violated this article, the~~
28 ~~terms and conditions of the charter or any other violation of~~
29 ~~law, the grantor may require the charter school entity to~~
30 ~~replace the administrator or board member in order to obtain~~

1 ~~renewal of the charter. The grantor may refer its findings to~~
2 ~~the district attorney with jurisdiction or to the Office of~~
3 ~~Attorney General for prosecution if the grantor discovers or~~
4 ~~receives information about possible violations of law by any~~
5 ~~person affiliated with or employed by a charter school entity.~~

6 (c) ~~Any notice of revocation or nonrenewal of a charter~~
7 ~~given by the [local board of school directors] grantor of a~~
8 ~~school district shall state the grounds for such action with~~
9 ~~reasonable specificity and give reasonable notice to the~~
10 ~~governing board of the charter school entity of the date on~~
11 ~~which a public hearing concerning the revocation or nonrenewal~~
12 ~~will be held. The [local board of school directors] grantor~~
13 ~~shall conduct such hearing, present evidence in support of the~~
14 ~~grounds for revocation or nonrenewal stated in its notice and~~
15 ~~give the charter school entity reasonable opportunity to offer~~
16 ~~testimony before taking final action. Formal action revoking or~~
17 ~~not renewing a charter shall be taken by the [local board of~~
18 ~~school directors] grantor at a public meeting pursuant to [the~~
19 ~~act of July 3, 1986 (P.L.388, No.84), known as the "Sunshine~~
20 ~~Act,"] 65 Pa.C.S. Ch. 7 (relating to open meetings) after the~~
21 ~~public has had thirty (30) days to provide comments to the~~
22 ~~board. All proceedings of the local board pursuant to this~~
23 ~~subsection shall be subject to 2 Pa.C.S. Ch. 5 Subch. B~~
24 ~~(relating to practice and procedure of local agencies). Except~~
25 ~~as provided in subsection (d), the decision of the local board~~
26 ~~shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating to~~
27 ~~judicial review of local agency action).~~

28 [(d) ~~Following the appointment and confirmation of the~~
29 ~~appeal board, but not before July 1, 1999, the charter school~~
30 ~~may appeal the decision of the local board of school directors~~

1 ~~to revoke or not renew the charter to the appeal board. The~~
2 ~~appeal board shall have the exclusive review of a decision not~~
3 ~~to renew or revoke a charter. The appeal board shall review the~~
4 ~~record and shall have the discretion to supplement the record if~~
5 ~~the supplemental information was previously unavailable. The~~
6 ~~appeal board may consider the charter school plan, annual~~
7 ~~reports, student performance and employe and community support~~
8 ~~for the charter school in addition to the record. The appeal~~
9 ~~board shall give due consideration to the findings of the local~~
10 ~~board of directors and specifically articulate its reasons for~~
11 ~~agreeing or disagreeing with those findings in its written~~
12 ~~decision.~~

13 ~~(e) If the appeal board determines that the charter should~~
14 ~~not be revoked or should be renewed, the appeal board shall~~
15 ~~order the local board of directors to rescind its revocation or~~
16 ~~nonrenewal decision.~~

17 ~~(f) Except as provided in subsection (g), the charter shall~~
18 ~~remain in effect until final disposition by the appeal board.~~

19 ~~(g) In cases where the health or safety of the school's~~
20 ~~pupils, staff or both is at serious risk, the local board of~~
21 ~~school directors may take immediate action to revoke a charter.~~

22 ~~(h) All decisions of the charter school appeal board shall~~
23 ~~be subject to appellate review by the Commonwealth Court.~~

24 ~~(i) When a charter is revoked, not renewed, forfeited,~~
25 ~~surrendered or otherwise ceases to operate, the charter school~~
26 ~~shall be dissolved. After the disposition of any liabilities and~~
27 ~~obligations of the charter school, any remaining assets of the~~
28 ~~charter school, both real and personal, shall be distributed on~~
29 ~~a proportional basis to the school entities with students~~
30 ~~enrolled in the charter school for the last full or partial~~

1 ~~school year of the charter school. In no event shall such school~~
2 ~~entities or the Commonwealth be liable for any outstanding~~
3 ~~liabilities or obligations of the charter school.~~

4 ~~(j) When a charter is revoked or is not renewed, a student~~
5 ~~who attended the charter school shall apply to another public~~
6 ~~school in the student's school district of residence. Normal~~
7 ~~application deadlines will be disregarded under these~~
8 ~~circumstances. All student records maintained by the charter~~
9 ~~school shall be forwarded to the student's district of~~
10 ~~residence.]~~

11 ~~Section 1.18. Section 1732 A of the act, amended June 29,~~
12 ~~2002 (P.L.524, No.88), is amended to read:~~

13 ~~Section 1732 A. Provisions Applicable to Charter Schools.~~

14 ~~(a) Charter schools shall be subject to the following:~~

15 ~~(1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436,~~
16 ~~443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,~~
17 ~~[755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),~~
18 ~~1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310, 1317, 1317.1,~~
19 ~~1317.2, 1317.3, 1318, 1327, 1330, 1332, 1303 A, 1513, 1517,~~
20 ~~1518, 1521, 1523, 1531, 1547, 2014 A, Article XIII A and Article~~
21 ~~XIV.~~

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

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

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

30 ~~(5) Section 4 of the act of January 25, 1966 (1965 P.L.1546,~~

1 ~~No.541), entitled "An act providing scholarships and providing~~
2 ~~funds to secure Federal funds for qualified students of the~~
3 ~~Commonwealth of Pennsylvania who need financial assistance to~~
4 ~~attend postsecondary institutions of higher learning, making an~~
5 ~~appropriation, and providing for the administration of this~~
6 ~~act."~~

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

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

13 ~~(8) The "Right to Know Law," except records of vendors of~~
14 ~~local agencies shall not be accessible.~~

15 ~~(9) 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

16 ~~(10) 65 Pa.C.S. Ch. 11 (relating to ethics standards and~~
17 ~~financial disclosure).~~

18 ~~(b) Charter schools shall be subject to the following~~
19 ~~provisions of 22 Pa. Code:~~

20 ~~{Section 5.216 (relating to ESOL).~~

21 ~~Section 5.4 (relating to general policies).}~~

22 ~~(1) Chapter 4 (relating to academic standards and~~
23 ~~assessments).~~

24 ~~(2) Chapter 11 (relating to pupil attendance).~~

25 ~~(3) Chapter 12 (relating to students).~~

26 ~~(4) Section 32.3 (relating to assurances).~~

27 ~~(5) Section 121.3 (relating to discrimination prohibited).~~

28 ~~(6) Section 235.4 (relating to practices).~~

29 ~~(7) Section 235.8 (relating to civil rights).~~

30 ~~(8) Chapter 711 (relating to charter school services and~~

1 ~~programs for children with disabilities).~~

2 ~~(c) (1) The [secretary] board may promulgate additional~~
3 ~~regulations relating to charter schools.~~

4 ~~(2) The secretary shall have the authority and the~~
5 ~~responsibility to ensure that charter schools comply with~~
6 ~~Federal laws and regulations governing children with~~
7 ~~disabilities. The secretary shall promulgate regulations to~~
8 ~~implement this provision.~~

9 ~~(3) Grantors may not exercise the power and duties of the~~
10 ~~department as provided under Federal or State laws or~~
11 ~~regulations.~~

12 ~~Section 1.19. The act is amended by adding sections to read:~~

13 ~~Section 1733 A. Effect on Certain Existing Charter~~
14 ~~Schools. (a) A charter school or regional charter school~~
15 ~~approved by a local board of school directors, a special board~~
16 ~~of control or a School Reform Commission prior to the effective~~
17 ~~date of this section shall continue to operate under the current~~
18 ~~charter. A charter school or regional charter school approved~~
19 ~~after the effective date of this section shall be in full~~
20 ~~compliance with this article.~~

21 ~~(b) Upon expiration of its charter, a charter school or~~
22 ~~regional charter school approved under section 1717 A or 1718 A~~
23 ~~shall seek renewal of its charter from its grantor. The charter~~
24 ~~shall be amended as needed to reflect the requirements of this~~
25 ~~article. Any renewal that takes effect after June 30, 2013,~~
26 ~~shall be for the term specified under section 1720 A(a).~~

27 ~~(c) The following shall apply to transfers of charter:~~

28 ~~(1) A charter school or regional charter school approved by~~
29 ~~a local board of school directors, a special board of control or~~
30 ~~a School Reform Commission prior to the effective date of this~~

1 ~~section may transfer its charter to the oversight of the board~~
2 ~~at any time after June 30, 2013.~~

3 ~~(2) The board of trustees of the charter school or regional~~
4 ~~charter school may submit the school's current charter and~~
5 ~~annual reports to the board and request that the board become~~
6 ~~the grantor of the charter school or regional charter school.~~
7 ~~The board shall develop the transfer request form and procedures~~
8 ~~for charter school or regional charter schools to follow.~~

9 ~~(3) Upon receipt of a transfer request and all necessary~~
10 ~~documentation as required by the board, the request shall be~~
11 ~~deemed approved unless, within thirty (30) days of that date,~~
12 ~~the board schedules a public hearing concerning the transfer~~
13 ~~request. The transfer shall be presumed approved and may be~~
14 ~~denied only if the board determines that the charter school or~~
15 ~~regional charter school would otherwise be subject to revocation~~
16 ~~or nonrenewal under section 1729 A. The board shall conduct the~~
17 ~~hearing, present evidence in support of the transfer denial~~
18 ~~stated in its notice and give the charter school or regional~~
19 ~~charter school reasonable opportunity to offer testimony before~~
20 ~~taking final action. If a hearing does occur relating to a~~
21 ~~school's transfer request, formal action approving or denying~~
22 ~~the transfer shall be taken by the board at a public meeting~~
23 ~~under 65 Pa.C.S. Ch. 7 (relating to open meetings) after the~~
24 ~~public has had thirty (30) days to provide comments to the~~
25 ~~members of the board.~~

26 ~~(4) If the board denies the transfer, the following shall~~
27 ~~apply:~~

28 ~~(i) The decision may not act as revocation or nonrenewal of~~
29 ~~the current charter.~~

30 ~~(ii) The proceedings and board decision related to the~~

1 ~~transfer may not be used as evidence in any revocation or non-~~
2 ~~renewal proceedings conducted by an grantor.~~

3 ~~(5) If the board approves the transfer, the board shall~~
4 ~~provide notification by certified board resolution to the local~~
5 ~~board of school directors, the special board of control or the~~
6 ~~School Reform Commission which initially approved the charter.~~
7 ~~No later than thirty (30) days after receipt of the certified~~
8 ~~board resolution, the local board of school directors, the~~
9 ~~special board of control or the School Reform Commission which~~
10 ~~initially approved the charter shall transfer to the board all~~
11 ~~records regarding oversight of the charter school or regional~~
12 ~~charter school.~~

13 ~~(6) The school's charter term shall remain in effect until~~
14 ~~the time of expiration, at which time the board shall undertake~~
15 ~~a comprehensive review prior to granting a ten (10) year charter~~
16 ~~renewal.~~

17 ~~(7) The Commonwealth Court shall have exclusive review of an~~
18 ~~appeal by a charter school or regional charter school of a~~
19 ~~decision made by the board to deny a charter transfer.~~

20 ~~(d) The following apply to merger:~~

21 ~~(1) A charter school that, prior to the effective date of~~
22 ~~this section, was approved by a local board of school directors,~~
23 ~~a special board of control or a School Reform Commission and~~
24 ~~that chooses to merge into a multiple charter school~~
25 ~~organization under section 1734 A, may apply to the board to~~
26 ~~consolidate all affiliated school charters into a single~~
27 ~~charter.~~

28 ~~(2) Consolidation and merger are restricted as follows:~~

29 ~~(i) Except as set forth in subclause (ii), a charter school~~
30 ~~shall not be eligible to consolidate or merge with another~~

1 ~~charter school that:~~

2 ~~(A) within either of the most recent two (2) school years,~~
3 ~~has failed to meet the requirements for student performance set~~
4 ~~forth in 22 Pa. Code Ch. 4 (relating to academic standards and~~
5 ~~assessment);~~

6 ~~(B) does not meet accepted standards of fiscal management or~~
7 ~~audit requirements; or~~

8 ~~(C) does not meet the standards set forth by the matrix~~
9 ~~established under section 1721-A(h)(11).~~

10 ~~(ii) Subclause (i) shall not apply if the merger or~~
11 ~~consolidation includes a charter school which is not in~~
12 ~~violation of subclause (i) over the most recent two (2) school~~
13 ~~years.~~

14 ~~(3) The board of trustees of each charter school shall~~
15 ~~jointly submit their charter school's current charter and annual~~
16 ~~report to the board and request that the board become the~~
17 ~~grantor of the multiple charter school organization.~~

18 ~~(4) Upon receipt of the consolidation and transfer request~~
19 ~~and all necessary documentation as required by the board, the~~
20 ~~board shall have thirty (30) days to approve or deny the~~
21 ~~consolidation and transfer request by a majority vote. If the~~
22 ~~board approves the consolidation and transfer, the board shall~~
23 ~~provide notification by certified board resolution to the local~~
24 ~~board of school directors, the special board of control or the~~
25 ~~School Reform Commission which initially approved the charter.~~

26 ~~(5) No later than thirty (30) days after the receipt of the~~
27 ~~certified board resolution, the local board of school directors,~~
28 ~~the special board of control or the School Reform Commission~~
29 ~~which initially approved the charter shall transfer to the board~~
30 ~~all records regarding oversight of the charter school.~~

1 ~~(6) The school's charter term shall remain in effect until~~
2 ~~the time of expiration, at which time the board will undertake a~~
3 ~~comprehensive review prior to granting a ten year charter~~
4 ~~renewal.~~

5 ~~Section 1734 A. Multiple Charter School Organization. (a)~~
6 ~~Establishment shall be as follows:~~

7 ~~(1) Subject to the requirements of section 1733 A(d), two or~~
8 ~~more charter schools may merge or consolidate under 15 Pa.C.S.~~
9 ~~Pt. II Subpt. C (relating to nonprofit corporations) into a~~
10 ~~multiple charter school organization.~~

11 ~~(2) The multiple charter school organization shall be:~~

12 ~~(i) granted a single charter to operate two or more~~
13 ~~individual charter schools under the oversight of a single board~~
14 ~~of trustees and a chief administrator who shall oversee and~~
15 ~~manage the operation of the individual charter schools under its~~
16 ~~organization;~~

17 ~~(ii) considered a charter school; and~~

18 ~~(iii) subject to all of the requirements of this article~~
19 ~~unless otherwise provided for under this section.~~

20 ~~(3) Nothing under this subsection shall be construed to~~
21 ~~affect or change the terms or conditions of any individual~~
22 ~~charter previously granted that is consolidated under this~~
23 ~~section.~~

24 ~~(b) The board shall develop and issue a standard application~~
25 ~~form for multiple charter school organization applicants, which~~
26 ~~shall contain the following information:~~

27 ~~(1) The identification of the multiple charter school~~
28 ~~organization.~~

29 ~~(2) The names of the charter schools seeking merger or~~
30 ~~consolidation under subsection (a).~~

1 ~~(3) A copy of the approved charters of each charter school~~
2 ~~agreeing to merge or consolidate administrative functions with~~
3 ~~the board under subsection (a).~~

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

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

15 ~~(6) A clear description and method for the appointment or~~
16 ~~election of members of the board of trustees.~~

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

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

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

22 ~~(c) The board shall serve as the grantor of a multiple~~
23 ~~charter school organization.~~

24 ~~(d) A multiple charter school organization may:~~

25 ~~(1) Participate in the assessment systems in the same manner~~
26 ~~in which a school district participates and its individual~~
27 ~~charter schools shall participate in the assessment systems in~~
28 ~~the same manner as individual schools in school districts. All~~
29 ~~data gathered for purposes of evaluation shall be gathered in a~~
30 ~~like manner.~~

1 ~~(2) Add new charter schools to its organization by the~~
2 ~~application process through the local school board included~~
3 ~~under section 1717 A.~~

4 ~~(3) Add existing charter schools to its organization or~~
5 ~~amend the individual charters of each charter school under its~~
6 ~~organization by the amendment process included under section~~
7 ~~1720 A.~~

8 ~~(4) Allow students enrolled in an individual charter school~~
9 ~~to matriculate to another individual charter school under its~~
10 ~~oversight so as to complete a course of instruction in an~~
11 ~~educational institution from kindergarten through grade 12.~~

12 ~~(e) The annual report required under section 1728 A shall be~~
13 ~~provided by the board of trustees and chief administrator of the~~
14 ~~multiple charter school organization and shall include all~~
15 ~~information required to provide a basis for evaluation for~~
16 ~~renewal of each individual charter school under the~~
17 ~~organization's oversight.~~

18 ~~(f) A multiple charter school organization shall be regarded~~
19 ~~as the holder of the charter of each individual charter school~~
20 ~~under its oversight and each previously or subsequently awarded~~
21 ~~charter shall be subject to nonrenewal or revocation in~~
22 ~~accordance with this act. The nonrenewal or revocation shall not~~
23 ~~affect the status of a charter awarded for any other individual~~
24 ~~charter school under its oversight.~~

25 Section 1.20. Sections 1741 A, 1742 A and 1743 A(b), (f),
26 (g) and (h) of the act, added June 29, 2002 (P.L.524, No.88),
27 are amended to read:

28 Section 1741 A. Powers and duties of [department] board.

29 (a) Powers and duties. The [department] board 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] board has revoked or denied~~
17 ~~renewal 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] board may, after notice and hearing, take~~
27 ~~immediate 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] board~~
9 ~~shall be conducted under 65 Pa.C.S. Ch. 7 (relating to open~~
10 ~~meetings).~~

11 ~~(c) Documents. Documents of the [appeal] board shall be~~
12 ~~subject to the act of [June 21, 1957 (P.L.390, No.212), referred~~
13 ~~to] February 14, 2008 (P.L.6, No.3), known as the Right to Know~~
14 ~~Law.~~

15 ~~Section 1742 A. Assessment and evaluation.~~

16 ~~The [department] board shall:~~

17 ~~(1) Annually assess whether each cyber charter school is~~
18 ~~meeting the goals of its charter and is in compliance with~~
19 ~~the provisions of the charter and conduct a comprehensive~~
20 ~~review prior to granting a [five year] ten year renewal of~~
21 ~~the charter.~~

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

28 ~~(3) Have ongoing access to all records, instructional~~
29 ~~materials and student and staff records of each cyber charter~~
30 ~~school and to every cyber charter school facility to ensure~~

1 ~~the cyber charter school is in compliance with its charter~~
2 ~~and this subdivision.~~

3 ~~Section 1743 A. Cyber charter school requirements and~~
4 ~~prohibitions.~~

5 ~~* * *~~

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

10 ~~* * *~~

11 ~~(f) Annual report. A cyber charter school shall submit an~~
12 ~~annual report no later than August 1 of each year to the~~
13 ~~[department] board in the form prescribed by the [department]~~
14 ~~board.~~

15 ~~(g) Records and facilities. A cyber charter school shall~~
16 ~~provide the [department] board with ongoing access to all~~
17 ~~records and facilities necessary for the department to assess~~
18 ~~the cyber charter school in accordance with the provisions of~~
19 ~~this subdivision.~~

20 ~~(h) Offices and facilities. A cyber charter school shall~~
21 ~~maintain an administrative office within this Commonwealth where~~
22 ~~all student records shall be maintained at all times and shall~~
23 ~~provide the [department] board with the addresses of all offices~~
24 ~~and facilities of the cyber charter school, the ownership~~
25 ~~thereof and any lease arrangements. The administrative office of~~
26 ~~the cyber charter school shall be considered as the principal~~
27 ~~place of business for service of process for any action brought~~
28 ~~against the cyber charter school or cyber charter school staff~~
29 ~~members. The cyber charter school shall notify the [department]~~
30 ~~board of any changes in this information within ten days of the~~

1 change.

2 * * *

3 Section 1.21. ~~Section 1745 A(d), (e), (f), (g) and (h) of~~
4 ~~the act, added June 29, 2002 (P.L.524, No.88), are amended and~~
5 ~~the section is amended by adding a subsection to read:~~

6 Section 1745 A. Establishment of cyber charter school.

7 * * *

8 ~~(b.1) Local board of school directors or intermediate~~
9 ~~unit. The following shall apply to a local board of school~~
10 ~~directors or intermediate unit:~~

11 ~~(1) A local board of school directors or an intermediate~~
12 ~~unit may seek to establish a cyber charter school if it follows~~
13 ~~the procedures and requirements of this article.~~

14 ~~(2) Nothing under this article shall be construed to~~
15 ~~preclude a school district or an intermediate unit seeking to~~
16 ~~establish a cyber charter school from offering instruction via~~
17 ~~the Internet or other electronic means, except that the~~
18 ~~instruction may not be recognized as a cyber charter school~~
19 ~~under this article.~~

20 * * *

21 ~~(d) Application. An application to establish a cyber~~
22 ~~charter school shall be submitted to the [department] board by~~
23 ~~October 1 of the school year preceding the school year in which~~
24 ~~the cyber charter school proposes to commence operation.~~

25 ~~(e) Grant or denial. Within 120 days of receipt of an~~
26 ~~application, the [department] board shall grant or deny the~~
27 ~~application. The [department] board shall review the application~~
28 ~~and shall hold at least one public hearing under 65 Pa.C.S. Ch.~~
29 ~~7 (relating to open meetings). At least 30 days prior to the~~
30 ~~hearing, the [department] board shall publish in the~~

1 ~~Pennsylvania Bulletin and on the [department's World Wide Web~~
2 ~~site] board's publicly accessible Internet website notice of the~~
3 ~~hearing and the purpose of the application.~~

4 ~~(f) Evaluation criteria.~~

5 ~~(1) A cyber charter school application submitted under~~
6 ~~this subdivision shall be evaluated by the [department] board~~
7 ~~based on the following criteria:~~

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

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

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

20 ~~(iv) The extent to which the application meets the~~
21 ~~requirements of section 1747 A.~~

22 ~~[(v) The extent to which the cyber charter school~~
23 ~~may serve as a model for other public schools.]~~

24 ~~(2) Written notice of the action of the [department]~~
25 ~~board shall be sent by certified mail to the applicant and~~
26 ~~published on the [department's World Wide Web site] board's~~
27 ~~publicly accessible Internet website. If the application is~~
28 ~~denied, the reasons for denial, including a description of~~
29 ~~deficiencies in the application, shall be clearly stated in~~
30 ~~the notice.~~

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

13 ~~(4) The decision of the [department] board to deny an~~
14 ~~application may be appealed to the [appeal board]~~
15 ~~Commonwealth Court.~~

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

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

23 ~~(iii) Within 20 days after the hearing, the board must~~
24 ~~grant or deny the requested amendment. Failure by the board~~
25 ~~to hold a public hearing and to grant or deny the amendments~~
26 ~~within the time period specified shall be deemed a denial.~~

27 ~~(iv) An applicant for an amendment shall have the right~~
28 ~~to appeal the denial of a requested amendment to the~~
29 ~~Commonwealth Court.~~

30 ~~(g) Denied application. A cyber charter school applicant~~

1 ~~may revise and resubmit a denied application to the [department]~~
2 ~~board. The [department] board shall grant or deny the revised~~
3 ~~application within 60 days after its receipt.~~

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

10 ~~Section 1.22. Sections 1746 A, 1749 A(a), 1750 A and 1751 A~~
11 ~~of the act, added June 29, 2002 (P.L.524, No.88), are amended to~~
12 ~~read:~~

13 ~~Section 1746 A. [State Charter School Appeal Board review]~~
14 ~~Cyber charter school appeal.~~

15 ~~{(a) Jurisdiction. The appeal board shall have the~~
16 ~~exclusive review of an appeal by a cyber charter school~~
17 ~~applicant or by the board of trustees of a cyber charter school~~
18 ~~on the decisions of the department, including:~~

- 19 ~~(1) The denial of an application for a charter.~~
20 ~~(2) The denial of a renewal of a charter.~~
21 ~~(3) The revocation of a charter.~~
22 ~~(4) An appeal under section 1745 A(h).~~

23 ~~(b) Procedure. The appeal board shall:~~

- 24 ~~(1) Review the decision made by the department under~~
25 ~~subsection (a) on the record as certified by the department.~~
26 ~~The secretary shall recuse himself from all cyber charter~~
27 ~~school appeals and shall not participate in a hearing,~~
28 ~~deliberation or vote on a cyber charter school appeal. The~~
29 ~~appeal board may allow the department, the cyber charter~~
30 ~~school applicant or the board of trustees of a cyber charter~~

1 ~~school to supplement the record if the supplemental~~
2 ~~information was previously unavailable.~~

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

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

7 ~~(4) In the case of a decision by the department to deny~~
8 ~~a cyber charter application, make its decision based on~~
9 ~~section 1745 A(f) (1). A decision by the appeal board to~~
10 ~~reverse the decision of the department and grant a charter~~
11 ~~shall serve as a requirement for the secretary to sign the~~
12 ~~written charter of the cyber charter school.~~

13 ~~(5) In the case of a decision by the department to~~
14 ~~revoke or deny renewal of a cyber school charter in~~
15 ~~accordance with section 1741 A(a) (3), make its decision based~~
16 ~~on section 1729 A(a). A decision of the appeal board to~~
17 ~~reverse the decision of the department to not revoke or deny~~
18 ~~renewal of a charter shall serve as a requirement of the~~
19 ~~department to not revoke or to not deny renewal of the~~
20 ~~charter of the cyber charter school.~~

21 ~~(c) Stay. If the department appeals the decision of the~~
22 ~~appeal board, the appeal board's decision shall be stayed only~~
23 ~~upon order of the appeal board, the Commonwealth Court or the~~
24 ~~Pennsylvania Supreme Court.]~~

25 ~~(d) Review. All decisions of the [appeal] board shall be~~
26 ~~subject to appellate review by the Commonwealth Court.~~

27 ~~Section 1749 A. Applicability of other provisions of this act~~
28 ~~and of other acts and regulations.~~

29 ~~(a) General requirements. Cyber charter schools shall be~~
30 ~~subject to the following:~~

1 ~~(1) Sections 108, 110, 111, 321, 325, 326, 327, 431,~~
2 ~~436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,~~
3 ~~752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,~~
4 ~~1112(a), 1205.1, 1205.2, 1301, 1302, 1310, 1317, 1317.2,~~
5 ~~1318, 1327, 1330, 1332, 1303 A, 1513, 1517, 1518, 1521, 1523,~~
6 ~~1531, 1547, 1702 A, 1703 A, 1714 A, 1715 A, 1716 A, 1719 A,~~
7 ~~1721 A, 1722 A, 1723 A(a) and (b), 1724 A, 1725 A, 1727 A,~~
8 ~~1728 A(d), (e), (f), (g) and (h), 1729 A, 1730 A, 1731 A(a)~~
9 ~~(1) and (b) and 2014 A and Articles XII A, XIII A and XIV.~~

10 ~~(1.1) The act of July 19, 1957 (P.L.1017, No.451), known~~
11 ~~as the State Adverse Interest Act.~~

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

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

18 ~~(4) Section 4 of the act of January 25, 1966 (1965-~~
19 ~~P.L.1546, No.541), entitled "An act providing scholarships~~
20 ~~and providing funds to secure Federal funds for qualified~~
21 ~~students of the Commonwealth of Pennsylvania who need~~
22 ~~financial assistance to attend postsecondary institutions of~~
23 ~~higher learning, making an appropriation, and providing for~~
24 ~~the administration of this act."~~

25 ~~(5) The act of July 12, 1972 (P.L.765, No.181) entitled~~
26 ~~"An act relating to drugs and alcohol and their abuse,~~
27 ~~providing for projects and programs and grants to educational~~
28 ~~agencies, other public or private agencies, institutions or~~
29 ~~organizations."~~

30 ~~(6) The act of December 15, 1986 (P.L.1595, No.175),~~

1 known as the Antihazing Law.

2 ~~(7) The Right to Know Law, except records of vendors of~~
3 ~~local agencies shall not be accessible.~~

4 ~~(8) 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

5 ~~(9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and~~
6 ~~financial disclosure).~~

7 * * *

8 Section 1750 A. Effect on certain existing cyber charter
9 schools.

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

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

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

19 (3) how the charter school plans to comply with section
20 1743 A(d).

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

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

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

29 (c) Charter school requirement. A charter school subject to
30 the requirements of this section shall, either in writing or

1 ~~electronically, provide the parent or guardian of any student~~
2 ~~enrolled in the charter school a copy of the department's~~
3 ~~determination under subsection (b).~~

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

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

16 ~~(f) Continued operation. A cyber charter school approved by~~
17 ~~the department prior to the effective date of this subsection~~
18 ~~shall continue to operate under the current charter, except that~~
19 ~~all oversight shall transfer to the board beginning July 1,~~
20 ~~2013.~~

21 ~~(g) Expiration of existing cyber charter school charters.~~
22 ~~Upon expiration of its charter, a cyber charter school approved~~
23 ~~prior to the effective date of this subsection shall seek~~
24 ~~renewal of its charter from the board under this article. The~~
25 ~~charter shall be amended as needed to reflect the requirements~~
26 ~~of this article. All cyber charter schools approved or renewed~~
27 ~~on or after the effective date of this subsection must be in~~
28 ~~full compliance with this article.~~

29 ~~Section 1751 A. Regulations.~~

30 ~~The [department] board may issue regulations to implement~~

1 ~~this subdivision.~~

2 SECTION 2. (RESERVED).



3 SECTION 3. SECTION 1525 OF THE ACT, ADDED JULY 4, 2004
4 (P.L.536, NO.70), IS AMENDED TO READ:

5 SECTION 1525. AGREEMENTS WITH INSTITUTIONS OF HIGHER
6 EDUCATION.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
7 CONTRARY, A SCHOOL DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER
8 SCHOOL, CYBER CHARTER SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL
9 MAY ENTER INTO AN AGREEMENT WITH ONE OR MORE INSTITUTIONS OF
10 HIGHER EDUCATION APPROVED TO OPERATE IN THIS COMMONWEALTH IN
11 ORDER TO ALLOW [RESIDENT] STUDENTS TO ATTEND SUCH INSTITUTIONS
12 OF HIGHER EDUCATION WHILE THE [RESIDENT] STUDENTS ARE ENROLLED
13 IN THE SCHOOL DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER SCHOOL,
14 CYBER CHARTER SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL. THE
15 AGREEMENT MAY BE STRUCTURED SO THAT HIGH SCHOOL STUDENTS MAY
16 RECEIVE CREDITS TOWARD COMPLETION OF COURSES AT THE SCHOOL
17 DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER SCHOOL, CYBER CHARTER
18 SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL AND AT INSTITUTIONS
19 OF HIGHER EDUCATION APPROVED TO OPERATE IN THIS COMMONWEALTH.

20 SECTION 4. (RESERVED).

21 SECTION 5. THE DEFINITIONS OF "CONCURRENT STUDENT" AND
22 "SCHOOL ENTITY" IN SECTION 1602-B OF THE ACT, ADDED JULY 13,
23 2005 (P.L.226, NO.46), ARE AMENDED TO READ:

24 SECTION 1602-B. DEFINITIONS.

25 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
26 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
27 CONTEXT CLEARLY INDICATES OTHERWISE:

28 * * *

29 "CONCURRENT STUDENT." A STUDENT WHO IS ENROLLED IN A SCHOOL
30 DISTRICT, A CHARTER SCHOOL, A REGIONAL CHARTER SCHOOL, A CYBER

1 CHARTER SCHOOL, AN AREA VOCATIONAL-TECHNICAL SCHOOL, A NONPUBLIC
2 SCHOOL, A PRIVATE SCHOOL OR A HOME EDUCATION PROGRAM UNDER
3 SECTION 1327.1 AND WHO TAKES A CONCURRENT COURSE THROUGH A
4 CONCURRENT ENROLLMENT PROGRAM.

5 * * *

6 "SCHOOL ENTITY." A SCHOOL DISTRICT, A CHARTER SCHOOL, A
7 REGIONAL CHARTER SCHOOL, A CYBER CHARTER SCHOOL OR AN AREA
8 VOCATIONAL-TECHNICAL SCHOOL.

9 * * *

10 SECTION 6. SECTION 1613-B OF THE ACT IS AMENDED BY ADDING A
11 SUBSECTION TO READ:

12 SECTION 1613-B. CONCURRENT ENROLLMENT AGREEMENTS.

13 * * *

14 (C) CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER
15 CHARTER SCHOOLS.--CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND
16 CYBER CHARTER SCHOOLS SHALL HAVE THE POWER AND AUTHORITY TO
17 ENTER INTO A CONCURRENT ENROLLMENT AGREEMENT WITH AN INSTITUTION
18 OF HIGHER EDUCATION, AND APPROPRIATE CREDIT SHALL BE AWARDED TO
19 STUDENTS CONCURRENTLY ENROLLED UNDER THE AGREEMENT.

20 SECTION 7. SECTION 1703-A OF THE ACT, AMENDED JUNE 29, 2002
21 (P.L.524, NO.88), IS AMENDED TO READ:

22 SECTION 1703-A. DEFINITIONS.--AS USED IN THIS ARTICLE,

23 "ADMINISTRATOR" SHALL INCLUDE AN EMPLOYE OF A CHARTER SCHOOL,
24 REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL, INCLUDING THE
25 CHIEF ADMINISTRATOR OF A CHARTER SCHOOL, REGIONAL CHARTER SCHOOL
26 OR CYBER CHARTER SCHOOL AND ANY OTHER EMPLOYE, WHO BY VIRTUE OF
27 THE EMPLOYE'S POSITION IS RESPONSIBLE FOR TAKING OFFICIAL ACTION
28 OF A NONMINISTERIAL NATURE WITH REGARD TO CONTRACTING OR
29 PROCUREMENT, ADMINISTERING OR MONITORING GRANTS OR SUBSIDIES,
30 MANAGING OR REGULATING STAFF, STUDENT AND SCHOOL ACTIVITIES OR

1 ANY ACTIVITY WHERE THE OFFICIAL ACTION HAS AN ECONOMIC IMPACT OF
2 GREATER THAN A DE MINIMIS NATURE ON THE INTERESTS OF ANY PERSON.

3 "APPEAL BOARD" SHALL MEAN THE STATE CHARTER SCHOOL APPEAL
4 BOARD ESTABLISHED BY THIS ARTICLE.

5 "ASSESSMENT" SHALL MEAN THE PENNSYLVANIA SYSTEM OF SCHOOL
6 ASSESSMENT TEST, THE KEYSTONE EXAM OR ANOTHER TEST ESTABLISHED
7 BY THE STATE BOARD TO MEET THE REQUIREMENTS OF SECTION 2603-
8 B(D) (10) (I) AND REQUIRED UNDER THE NO CHILD LEFT BEHIND ACT OF
9 2001 (PUBLIC LAW 107-110, 115 STAT. 1425) OR ITS SUCCESSOR
10 FEDERAL STATUTE.

11 "AT-RISK STUDENT" SHALL MEAN A STUDENT AT RISK OF EDUCATIONAL
12 FAILURE BECAUSE OF LIMITED ENGLISH PROFICIENCY, POVERTY,
13 COMMUNITY FACTORS, TRUANCY, ACADEMIC DIFFICULTIES OR ECONOMIC
14 DISADVANTAGE.

15 "CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC SCHOOL
16 ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE LOCAL BOARD OF
17 SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE ENROLLED OR ATTEND. A
18 CHARTER SCHOOL MUST BE ORGANIZED AS A PUBLIC, NONPROFIT
19 CORPORATION. CHARTERS MAY NOT BE GRANTED TO ANY FOR-PROFIT
20 ENTITY.

21 "CHARTER SCHOOL ENTITY" SHALL MEAN A CHARTER SCHOOL, REGIONAL
22 CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

23 "CHARTER SCHOOL FOUNDATION" SHALL MEAN A NONPROFIT
24 ORGANIZATION, AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
25 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C) (3)),
26 THAT PROVIDES FUNDING, RESOURCES OR OTHERWISE SERVES TO SUPPORT
27 A CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER
28 SCHOOL, EITHER DIRECTLY OR THROUGH AN AFFILIATED ENTITY.

29 "CHIEF ADMINISTRATOR" SHALL MEAN AN INDIVIDUAL APPOINTED BY A
30 BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF A

1 CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL.
2 THE TERM SHALL NOT INCLUDE A PROFESSIONAL STAFF MEMBER UNDER
3 THIS ARTICLE.

4 ["CHIEF EXECUTIVE OFFICER" SHALL MEAN AN INDIVIDUAL APPOINTED
5 BY THE BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF
6 THE CHARTER SCHOOL, BUT WHO SHALL NOT BE DEEMED A PROFESSIONAL
7 STAFF MEMBER UNDER THIS ARTICLE.]

8 "COMMISSION" SHALL MEAN THE CHARTER SCHOOL FUNDING ADVISORY
9 COMMISSION ESTABLISHED BY THIS ARTICLE.

10 "CYBER CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
11 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE
12 DEPARTMENT OF EDUCATION AND IN WHICH THE SCHOOL USES TECHNOLOGY
13 IN ORDER TO PROVIDE A SIGNIFICANT PORTION OF ITS CURRICULUM AND
14 TO DELIVER A SIGNIFICANT PORTION OF INSTRUCTION TO ITS STUDENTS
15 THROUGH THE INTERNET OR OTHER ELECTRONIC MEANS. A CYBER CHARTER
16 SCHOOL MUST BE ORGANIZED AS A PUBLIC, NONPROFIT CORPORATION. A
17 CHARTER MAY NOT BE GRANTED TO A FOR-PROFIT ENTITY.

18 "DEPARTMENT" SHALL MEAN THE DEPARTMENT OF EDUCATION OF THE
19 COMMONWEALTH.

20 "EDUCATIONAL MANAGEMENT SERVICE PROVIDER" SHALL MEAN A FOR-
21 PROFIT EDUCATION MANAGEMENT ORGANIZATION, NONPROFIT CHARTER
22 MANAGEMENT ORGANIZATION, SCHOOL DESIGN PROVIDER, BUSINESS
23 MANAGER OR ANY OTHER PARTNER ENTITY WITH WHICH A BOARD OF
24 TRUSTEES OF A CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER
25 CHARTER SCHOOL CONTRACTS TO PROVIDE EDUCATIONAL DESIGN, BUSINESS
26 SERVICES, COMPREHENSIVE MANAGEMENT OR PERSONNEL FUNCTIONS OR TO
27 IMPLEMENT THE CHARTER. THE TERM SHALL NOT INCLUDE A CHARTER
28 SCHOOL FOUNDATION.

29 "IMMEDIATE FAMILY MEMBER" SHALL MEAN A PARENT, SPOUSE, CHILD,
30 BROTHER OR SISTER.

1 "LOCAL BOARD OF SCHOOL DIRECTORS" SHALL MEAN THE BOARD OF
2 DIRECTORS, SPECIAL BOARD OF CONTROL, SCHOOL REFORM COMMISSION OR
3 OTHER GOVERNING AUTHORITY OF A SCHOOL DISTRICT IN WHICH A
4 PROPOSED OR AN APPROVED CHARTER SCHOOL IS LOCATED.

5 "NONRELATED" SHALL MEAN AN INDIVIDUAL WHO IS NOT AN IMMEDIATE
6 FAMILY MEMBER.

7 "REGIONAL CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
8 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM MORE THAN
9 ONE LOCAL BOARD OF SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE
10 ENROLLED OR ATTEND. A REGIONAL CHARTER SCHOOL MUST BE ORGANIZED
11 AS A PUBLIC, NONPROFIT CORPORATION. CHARTERS MAY NOT BE GRANTED
12 TO ANY FOR-PROFIT ENTITY.

13 "SCHOOL DISTRICT OF RESIDENCE" SHALL MEAN THE SCHOOL DISTRICT
14 IN THIS COMMONWEALTH IN WHICH [THE PARENTS OR GUARDIANS OF A
15 CHILD RESIDE] A CHILD RESIDES AS DETERMINED UNDER SECTION 1302.

16 "SCHOOL ENTITY" SHALL MEAN A SCHOOL DISTRICT, INTERMEDIATE
17 UNIT, JOINT SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL.

18 "SECRETARY" SHALL MEAN THE SECRETARY OF EDUCATION OF THE
19 COMMONWEALTH.

20 "STATE BOARD" SHALL MEAN THE STATE BOARD OF EDUCATION OF THE
21 COMMONWEALTH.

22 SECTION 8. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

23 SECTION 1704-A. CHARTER SCHOOL FUNDING ADVISORY
24 COMMISSION.--(1) THE GOVERNOR SHALL IMMEDIATELY CONVENE A
25 STATEWIDE ADVISORY COMMISSION, TO BE KNOWN AS THE CHARTER SCHOOL
26 FUNDING ADVISORY COMMISSION, TO EXAMINE THE FINANCING OF CHARTER
27 SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER CHARTER SCHOOLS IN
28 THE PUBLIC EDUCATION SYSTEM. THE COMMISSION SHALL EXAMINE HOW
29 CHARTER SCHOOL, REGIONAL CHARTER SCHOOL AND CYBER CHARTER SCHOOL
30 FINANCES AFFECT OPPORTUNITIES FOR TEACHERS, PARENTS, PUPILS AND

1 COMMUNITY MEMBERS TO ESTABLISH AND MAINTAIN SCHOOLS THAT OPERATE
2 INDEPENDENTLY FROM THE EXISTING SCHOOL DISTRICT STRUCTURE AS A
3 METHOD TO ACCOMPLISH THE REQUIREMENTS OF SECTION 1702-A. THE
4 OFFICE OF THE BUDGET AND THE DEPARTMENT SHALL PROVIDE
5 ADMINISTRATIVE SUPPORT, MEETING SPACE AND ANY OTHER ASSISTANCE
6 REQUIRED BY THE COMMISSION TO CARRY OUT ITS DUTIES UNDER THIS
7 SECTION.

8 (2) THE COMMISSION SHALL CONSIST OF THE FOLLOWING MEMBERS:

9 (I) ONE MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT PRO
10 TEMPORE OF THE SENATE.

11 (II) ONE MEMBER OF THE SENATE APPOINTED BY THE MAJORITY
12 LEADER OF THE SENATE.

13 (III) ONE MEMBER OF THE SENATE APPOINTED BY THE MINORITY
14 LEADER OF THE SENATE.

15 (IV) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED BY
16 THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

17 (V) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED BY
18 THE MAJORITY LEADER OF THE HOUSE OF REPRESENTATIVES.

19 (VI) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED BY
20 THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES.

21 (VII) THE SECRETARY OR A DESIGNEE.

22 (VIII) THE CHAIRMAN OF THE STATE BOARD OR A DESIGNEE.

23 (IX) THE FOLLOWING MEMBERS, WHO SHALL BE APPOINTED BY THE
24 GOVERNOR:

25 (A) ONE MEMBER WHO SHALL REPRESENT CHARTER SCHOOLS.

26 (B) ONE MEMBER WHO SHALL REPRESENT REGIONAL CHARTER SCHOOLS.

27 (C) ONE MEMBER WHO SHALL REPRESENT CYBER CHARTER SCHOOLS.

28 (D) ONE MEMBER WHO SHALL REPRESENT TEACHERS AND MAY BE A
29 CHARTER SCHOOL TEACHER, A REGIONAL CHARTER SCHOOL TEACHER, A
30 CYBER CHARTER SCHOOL TEACHER, A NONPUBLIC SCHOOL TEACHER OR A

1 TEACHER IN A PUBLIC SCHOOL THAT IS NOT A CHARTER SCHOOL ENTITY.

2 (E) ONE MEMBER WHO SHALL REPRESENT SCHOOL ADMINISTRATORS.

3 (F) ONE MEMBER WHO SHALL REPRESENT SCHOOL BOARD MEMBERS.

4 (G) ONE MEMBER WHO SHALL BE A BUSINESS MANAGER OF A SCHOOL
5 DISTRICT.

6 (H) ONE MEMBER WHO SHALL BE A PARENT OF A CHILD ATTENDING A
7 CHARTER SCHOOL ENTITY.

8 (I) ONE MEMBER WHO SHALL REPRESENT AN INSTITUTION OF HIGHER
9 EDUCATION WITH EXPERIENCE IN OPERATING A CHARTER SCHOOL ENTITY.

10 (3) MEMBERS OF THE COMMISSION SHALL BE APPOINTED WITHIN
11 TWENTY (20) DAYS OF THE EFFECTIVE DATE OF THIS SECTION. ANY
12 VACANCY ON THE COMMISSION SHALL BE FILLED BY THE ORIGINAL
13 APPOINTING AUTHORITY. THE COMMISSION SHALL SELECT A CHAIRMAN AND
14 VICE CHAIRMAN FROM AMONG ITS MEMBERSHIP AT AN ORGANIZATIONAL
15 MEETING. THE ORGANIZATIONAL MEETING SHALL TAKE PLACE NOT LATER
16 THAN THIRTY (30) DAYS FOLLOWING THE EFFECTIVE DATE OF THIS
17 SECTION.

18 (4) THE COMMISSION SHALL HOLD MEETINGS AT THE CALL OF THE
19 CHAIRMAN. THE COMMISSION MAY ALSO HOLD PUBLIC HEARINGS ON THE
20 MATTERS TO BE CONSIDERED BY THE COMMISSION AT LOCATIONS
21 THROUGHOUT THIS COMMONWEALTH. ALL MEETINGS AND PUBLIC HEARINGS
22 OF THE COMMISSION SHALL BE DEEMED PUBLIC MEETINGS FOR THE
23 PURPOSE OF 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS). NINE

24 (9) MEMBERS OF THE COMMISSION SHALL CONSTITUTE A QUORUM AT ANY
25 MEETING. EACH MEMBER OF THE COMMISSION MAY DESIGNATE ANOTHER
26 PERSON TO REPRESENT THAT MEMBER AT MEETINGS OF THE COMMISSION.

27 (5) COMMISSION MEMBERS SHALL RECEIVE NO COMPENSATION FOR
28 THEIR SERVICES BUT SHALL BE REIMBURSED FOR ALL NECESSARY TRAVEL
29 AND OTHER REASONABLE EXPENSES INCURRED IN CONNECTION WITH THE
30 PERFORMANCE OF THEIR DUTIES AS MEMBERS. WHENEVER POSSIBLE, THE

1 COMMISSION SHALL UTILIZE THE SERVICES AND EXPERTISE OF EXISTING
2 PERSONNEL AND STAFF OF STATE GOVERNMENT. THE DEPARTMENT MAY
3 UTILIZE UNDISTRIBUTED FUNDS NOT EXPENDED, ENCUMBERED OR
4 COMMITTED FROM APPROPRIATIONS FOR GRANTS AND SUBSIDIES MADE TO
5 THE DEPARTMENT, NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS
6 (\$300,000), TO CARRY OUT THIS SECTION.

7 (6) THE COMMISSION SHALL HAVE THE FOLLOWING POWERS AND
8 DUTIES:

9 (I) MEET WITH CURRENT CHARTER SCHOOL ENTITY OPERATORS WITHIN
10 THIS COMMONWEALTH, INCLUDING CYBER CHARTER SCHOOLS WITH BLENDED
11 PROGRAMS.

12 (II) REVIEW CHARTER SCHOOL ENTITY FINANCING LAWS IN
13 OPERATION THROUGHOUT THE UNITED STATES.

14 (III) EVALUATE AND MAKE RECOMMENDATIONS ON THE FOLLOWING:

15 (A) POWERS AND DUTIES EXTENDED TO CHARTER SCHOOL ENTITIES AS
16 THEY RELATE TO FINANCING.

17 (B) FUNDING FORMULAS FOR CHARTER SCHOOL ENTITIES, INCLUDING
18 REIMBURSEMENT PROCEDURES AND FUNDING UNDER TITLE I OF THE
19 ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965 (PUBLIC LAW
20 89-10, 20 U.S.C. § 6301 ET SEQ.).

21 (C) THE PROCESS BY WHICH CHARTER SCHOOL ENTITIES ARE FUNDED
22 UNDER SECTION 1725-A.

23 (D) STUDENT RESIDENCY AS IT RELATES TO FUNDING.

24 (E) SPECIAL EDUCATION AND OTHER SPECIAL PROGRAM FUNDING.

25 (F) CHARTER SCHOOL ENTITY TRANSPORTATION.

26 (G) CHARTER SCHOOL ENTITY ELIGIBILITY TO RECEIVE GRANTS AND
27 FUNDING.

28 (H) APPROPRIATE ASSESSMENT FEES ON CHARTER SCHOOL ENTITIES
29 FOR POTENTIALLY FUNDING AN INDEPENDENT AUTHORIZER OF CHARTER
30 SCHOOL ENTITIES, INCLUDING REVIEW OF INDEPENDENT AUTHORIZER FEES

1 AND STRUCTURES THROUGHOUT THE UNITED STATES.

2 (I) CONSIDERATION OF RECOGNIZING A CHARTER SCHOOL ENTITY FOR
3 ADDITIONAL DESIGNATIONS AS A LOCAL EDUCATION AGENCY.

4 (IV) THE COMMISSION SHALL, NO LATER THAN APRIL 30, 2013,
5 ISSUE A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE
6 GOVERNOR, THE PRESIDENT PRO TEMPORE OF THE SENATE, THE MINORITY
7 LEADER OF THE SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
8 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND
9 MINORITY CHAIRMAN OF THE EDUCATION COMMITTEE OF THE SENATE, THE
10 SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE MINORITY LEADER OF
11 THE HOUSE OF REPRESENTATIVES, THE CHAIRMAN AND MINORITY CHAIRMAN
12 OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES
13 AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE EDUCATION
14 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

15 SECTION 9. SECTION 1715-A OF THE ACT, AMENDED OR ADDED JUNE
16 19, 1997 (P.L.225, NO.22) AND JULY 9, 2008 (P.L.846, NO.61), IS
17 AMENDED TO READ:

18 SECTION 1715-A. CHARTER SCHOOL ENTITY REQUIREMENTS.--(A)
19 CHARTER [SCHOOLS] SCHOOL ENTITIES SHALL BE REQUIRED TO COMPLY
20 WITH THE FOLLOWING PROVISIONS:

21 (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, A CHARTER
22 SCHOOL ENTITY IS EXEMPT FROM STATUTORY REQUIREMENTS ESTABLISHED
23 IN THIS ACT, FROM REGULATIONS OF THE STATE BOARD AND THE
24 STANDARDS OF THE SECRETARY NOT SPECIFICALLY APPLICABLE TO
25 CHARTER [SCHOOLS] SCHOOL ENTITIES. CHARTER [SCHOOLS] SCHOOL
26 ENTITIES ARE NOT EXEMPT FROM STATUTES APPLICABLE TO PUBLIC
27 SCHOOLS OTHER THAN THIS ACT.

28 (2) A CHARTER SCHOOL ENTITY SHALL BE ACCOUNTABLE TO THE
29 PARENTS, THE PUBLIC AND THE COMMONWEALTH, WITH THE DELINEATION
30 OF THAT ACCOUNTABILITY REFLECTED IN THE CHARTER. STRATEGIES FOR

1 MEANINGFUL PARENT AND COMMUNITY INVOLVEMENT SHALL BE DEVELOPED
2 AND IMPLEMENTED BY EACH SCHOOL.

3 (3) A CHARTER SCHOOL ENTITY SHALL NOT UNLAWFULLY
4 DISCRIMINATE IN ADMISSIONS, HIRING OR OPERATION.

5 (4) A CHARTER SCHOOL ENTITY SHALL BE NONSECTARIAN IN ALL
6 OPERATIONS.

7 (5) (I) [A] SUBJECT TO SUBPARAGRAPH (II), A CHARTER SCHOOL
8 ENTITY SHALL NOT PROVIDE ANY RELIGIOUS INSTRUCTION, NOR SHALL IT
9 DISPLAY RELIGIOUS OBJECTS AND SYMBOLS ON THE PREMISES OF THE
10 CHARTER SCHOOL[.] ENTITY. THE CHARTER SCHOOL ENTITY SHALL
11 PROVIDE FOR DISCRETE AND SEPARATE ENTRANCES TO BUILDINGS
12 UTILIZED FOR SCHOOL PURPOSES ONLY.

13 (II) IT SHALL NOT BE A VIOLATION OF THIS PARAGRAPH FOR A
14 CHARTER SCHOOL ENTITY TO UTILIZE A SECTARIAN FACILITY:

15 (A) IF THE RELIGIOUS OBJECTS AND SYMBOLS WITHIN THE PORTIONS
16 OF THE FACILITY UTILIZED BY THE SCHOOL ARE COVERED OR REMOVED TO
17 THE EXTENT REASONABLY FEASIBLE; OR

18 (B) IN WHICH THE UNUSED PORTION OF THE FACILITY OR ITS
19 COMMON AREAS CONTAIN RELIGIOUS SYMBOLS AND OBJECTS.

20 (6) A CHARTER SCHOOL ENTITY SHALL NOT ADVOCATE UNLAWFUL
21 BEHAVIOR.

22 (7) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL SHALL ONLY
23 BE SUBJECT TO THE LAWS AND REGULATIONS AS PROVIDED FOR IN
24 SECTION 1732-A, OR AS OTHERWISE PROVIDED FOR IN THIS ARTICLE.

25 (7.1) A CYBER CHARTER SCHOOL SHALL ONLY BE SUBJECT TO THE
26 LAWS AND REGULATIONS AS PROVIDED FOR IN SECTION 1749-A, OR AS
27 OTHERWISE PROVIDED FOR IN THIS ARTICLE.

28 (8) A CHARTER SCHOOL ENTITY SHALL PARTICIPATE IN [THE
29 PENNSYLVANIA STATE ASSESSMENT SYSTEM AS PROVIDED FOR IN 22 PA.
30 CODE CH. 5 (RELATING TO CURRICULUM), OR SUBSEQUENT REGULATIONS

1 PROMULGATED TO REPLACE 22 PA. CODE CH. 5,] ASSESSMENTS IN THE
2 MANNER IN WHICH THE SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL
3 ENTITY IS LOCATED IS SCHEDULED TO PARTICIPATE.

4 (9) A CHARTER SCHOOL ENTITY SHALL PROVIDE A MINIMUM OF ONE
5 HUNDRED EIGHTY (180) DAYS OF INSTRUCTION OR NINE HUNDRED (900)
6 HOURS PER YEAR OF INSTRUCTION AT THE ELEMENTARY LEVEL, OR NINE
7 HUNDRED NINETY (990) HOURS PER YEAR OF INSTRUCTION AT THE
8 SECONDARY LEVEL. NOTHING IN THIS CLAUSE SHALL PRECLUDE THE USE
9 OF COMPUTER AND SATELLITE LINKAGES FOR DELIVERING INSTRUCTION TO
10 STUDENTS.

11 (10) BOARDS OF TRUSTEES AND CONTRACTORS OF CHARTER [SCHOOLS]
12 SCHOOL ENTITIES SHALL BE SUBJECT TO THE FOLLOWING STATUTORY
13 REQUIREMENTS GOVERNING CONSTRUCTION PROJECTS AND CONSTRUCTION-
14 RELATED WORK:

15 (I) THE FOLLOWING PROVISIONS OF THIS ACT:

16 (A) SECTIONS 751 AND 751.1.

17 (B) SECTIONS 756 AND 757 INSOFAR AS THEY ARE CONSISTENT WITH
18 THE ACT OF DECEMBER 20, 1967 (P.L.869, NO.385), KNOWN AS THE
19 "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

20 (II) SECTION 1 OF THE ACT OF MAY 1, 1913 (P.L.155, NO.104),
21 ENTITLED "AN ACT REGULATING THE LETTING OF CERTAIN CONTRACTS FOR
22 THE ERECTION, CONSTRUCTION, AND ALTERATION OF PUBLIC BUILDINGS."

23 (III) THE ACT OF AUGUST 11, 1961 (P.L.987, NO.442), KNOWN AS
24 THE "PENNSYLVANIA PREVAILING WAGE ACT."

25 (IV) THE "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

26 (V) THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE
27 "STEEL PRODUCTS PROCUREMENT ACT."

28 (11) TRUSTEES OF A CHARTER SCHOOL ENTITY SHALL BE PUBLIC
29 OFFICIALS[.] FOR THE PURPOSES OF 65 PA.C.S. CH. 11 (RELATING TO
30 ETHICS STANDARDS AND FINANCIAL DISCLOSURE) AND SHALL FILE A

1 STATEMENT OF FINANCIAL INTERESTS FOR THE PRECEDING CALENDAR YEAR
2 WITH THE STATE ETHICS COMMISSION AND THE LOCAL BOARD OF SCHOOL
3 DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
4 DEPARTMENT, NOT LATER THAN MAY 1 OF EACH YEAR THAT MEMBERS HOLD
5 THE POSITION AND OF THE YEAR AFTER A MEMBER LEAVES THE POSITION.
6 ALL MEMBERS OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY
7 SHALL TAKE THE OATH OF OFFICE AS REQUIRED UNDER SECTION 321
8 BEFORE ENTERING UPON THE DUTIES OF THEIR OFFICE.

9 [(12) A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A CHARTER
10 SCHOOL SHALL NOT RECEIVE COMPENSATION FROM ANOTHER CHARTER
11 SCHOOL OR FROM A COMPANY THAT PROVIDES MANAGEMENT OR OTHER
12 SERVICES TO ANOTHER CHARTER SCHOOL. THE TERM "ADMINISTRATOR"
13 SHALL INCLUDE THE CHIEF EXECUTIVE OFFICER OF A CHARTER SCHOOL
14 AND ALL OTHER EMPLOYEES OF A CHARTER SCHOOL WHO BY VIRTUE OF
15 THEIR POSITIONS EXERCISE MANAGEMENT OR OPERATIONAL OVERSIGHT
16 RESPONSIBILITIES. A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A
17 CHARTER SCHOOL SHALL BE A PUBLIC OFFICIAL UNDER 65 PA.C.S. CH.
18 11 (RELATING TO ETHICS STANDARDS AND FINANCIAL DISCLOSURE). A
19 VIOLATION OF THIS CLAUSE SHALL CONSTITUTE A VIOLATION OF 65
20 PA.C.S. § 1103(A) (RELATING TO RESTRICTED ACTIVITIES), AND THE
21 VIOLATOR SHALL BE SUBJECT TO THE PENALTIES IMPOSED UNDER THE
22 JURISDICTION OF THE STATE ETHICS COMMISSION.]

23 (B) AN INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A
24 CHARTER SCHOOL ENTITY SHALL BE A PUBLIC EMPLOYE FOR THE PURPOSES
25 OF 65 PA.C.S. CH. 11 AND SHALL FILE A STATEMENT OF FINANCIAL
26 INTERESTS FOR THE PRECEDING CALENDAR YEAR WITH THE BOARD OF
27 TRUSTEES NOT LATER THAN MAY 1 OF EACH YEAR THAT THE PERSON HOLDS
28 THE POSITION AND OF THE YEAR AFTER THE PERSON LEAVES THE
29 POSITION.

30 (C) (1) NO INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A

1 CHARTER SCHOOL ENTITY MAY RECEIVE COMPENSATION FROM ANOTHER
2 CHARTER SCHOOL ENTITY OR FROM AN EDUCATIONAL MANAGEMENT SERVICE
3 PROVIDER, UNLESS:

4 (I) THE ADMINISTRATOR HAS SUBMITTED A SWORN STATEMENT TO THE
5 BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY AND THE SWORN
6 STATEMENT DETAILS THE WORK FOR THE OTHER ENTITY AND INCLUDES THE
7 PROJECTED NUMBER OF HOURS, RATE OF COMPENSATION AND PROJECTED
8 DURATION.

9 (II) THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY HAS
10 REVIEWED THE SWORN STATEMENT UNDER SUBCLAUSE (I) AND AGREED, BY
11 RESOLUTION, TO GRANT PERMISSION TO THE ADMINISTRATOR.

12 (2) A COPY OF THE SWORN STATEMENT UNDER CLAUSE (1) (I) AND
13 THE RESOLUTION BY THE BOARD OF TRUSTEES GRANTING THE PERMISSION
14 UNDER CLAUSE (1) (II) SHALL BE KEPT ON FILE WITH THE CHARTER
15 SCHOOL ENTITY AND THE LOCAL BOARD OF SCHOOL DIRECTORS.

16 (3) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY OR IMMEDIATE
17 FAMILY MEMBER OF THE ADMINISTRATOR MAY SERVE AS A VOTING MEMBER
18 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY THAT
19 EMPLOYS THE ADMINISTRATOR.

20 (4) (I) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY MAY
21 PARTICIPATE IN THE SELECTION, AWARD OR ADMINISTRATION OF A
22 CONTRACT IF THE PERSON HAS A CONFLICT OF INTEREST AS THAT TERM
23 IS DEFINED IN 65 PA.C.S. § 1102 (RELATING TO DEFINITIONS).

24 (II) AN ADMINISTRATOR WHO KNOWINGLY VIOLATES THIS CLAUSE
25 COMMITTS A VIOLATION OF 65 PA.C.S. § 1103(A) (RELATING TO
26 RESTRICTED ACTIVITIES) AND SHALL BE SUBJECT TO THE PENALTIES
27 IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS COMMISSION.

28 (III) ANY CONTRACT MADE IN VIOLATION OF THIS CLAUSE SHALL BE
29 VOIDABLE BY THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY.

30 (5) AN ADMINISTRATOR SHALL BE IMMEDIATELY DISMISSED UPON

1 CONVICTION FOR AN OFFENSE GRADED AS A FELONY, AN INFAMOUS CRIME,
2 AN OFFENSE PERTAINING TO FRAUD, THEFT OR MISMANAGEMENT OF PUBLIC
3 FUNDS OR ANY CRIME INVOLVING MORAL TURPITUDE.

4 (D) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY SHALL
5 SUPPLY THE SECRETARY AND, IN THE CASE OF A CHARTER SCHOOL OR
6 REGIONAL CHARTER SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS A
7 LIST OF THE AMOUNT OF RENTAL PAYMENTS, WHICH ARE GUARANTEES FOR
8 SCHOOL BUILDING DEBT OR BONDS THAT BECOME DUE DURING THE FISCAL
9 YEAR TOGETHER WITH THE AMOUNT PAID ON EACH ITEM OF INDEBTEDNESS.
10 ANY CHARTER SCHOOL ENTITY THAT ELECTS TO ISSUE DEBT SHALL HOLD
11 IN ESCROW AN AMOUNT SUFFICIENT TO PAY THE ANNUAL AMOUNT OF THE
12 SUM OF THE PRINCIPAL MATURING OR SUBJECT TO MANDATORY REDEMPTION
13 AND INTEREST OWING BY THE CHARTER SCHOOL ENTITY OR SINKING FUND
14 DEPOSIT DUE BY THE CHARTER SCHOOL ENTITY.

15 (E) FUND BALANCE LIMIT SHALL BE AS FOLLOWS:

16 (1) FOR THE 2013-2014 SCHOOL YEAR AND EACH SCHOOL YEAR
17 THEREAFTER, A CHARTER SCHOOL ENTITY SHALL NOT ACCUMULATE AN
18 UNASSIGNED FUND BALANCE GREATER THAN THE CHARTER SCHOOL ENTITY
19 UNASSIGNED FUND BALANCE LIMIT, WHICH WILL BE DETERMINED AS
20 FOLLOWS:

<u>CHARTER SCHOOL ENTITY</u>	<u>MAXIMUM UNASSIGNED FUND</u>
<u>TOTAL BUDGETED EXPENDITURES</u>	<u>BALANCE AS PERCENTAGE OF</u>
<u>TOTAL BUDGETED EXPENDITURES</u>	<u>TOTAL BUDGETED EXPENDITURES</u>
<u>LESS THAN OR EQUAL TO \$11,999,999</u>	<u>12%</u>
<u>BETWEEN \$12,000,000 AND \$12,999,999</u>	<u>11.5%</u>
<u>BETWEEN \$13,000,000 AND \$13,999,999</u>	<u>11%</u>
<u>BETWEEN \$14,000,000 AND \$14,999,999</u>	<u>10.5%</u>
<u>BETWEEN \$15,000,000 AND \$15,999,999</u>	<u>10%</u>
<u>BETWEEN \$16,000,000 AND \$16,999,999</u>	<u>9.5%</u>
<u>BETWEEN \$17,000,000 AND \$17,999,999</u>	<u>9%</u>

1 BETWEEN \$18,000,000 AND \$18,999,999 8.5%

2 GREATER THAN OR EQUAL TO \$19,000,000 8%

3 (2) ANY UNASSIGNED FUND BALANCE IN PLACE ON JUNE 30, 2013,
4 THAT EXCEEDS THE CHARTER SCHOOL ENTITY UNASSIGNED FUND BALANCE
5 LIMIT SHALL BE REFUNDED ON A PRO RATA BASIS WITHIN NINETY (90)
6 DAYS TO ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE CHARTER
7 SCHOOL ENTITY ON BEHALF OF STUDENTS ENROLLED IN THE 2011-2012
8 AND 2012-2013 SCHOOL YEARS. THE FUNDS IN EXCESS OF THE
9 UNASSIGNED FUND BALANCE LIMIT MAY NOT BE USED TO PAY BONUSES TO
10 ANY ADMINISTRATOR, BOARD OF TRUSTEES MEMBER, EMPLOYEE, STAFF
11 MEMBER OR CONTRACTOR AND MAY NOT BE TRANSFERRED TO A CHARTER
12 SCHOOL FOUNDATION.

13 (3) FOR THE 2013-2014 SCHOOL YEAR AND EACH SCHOOL YEAR
14 THEREAFTER, ANY UNASSIGNED FUND BALANCE IN EXCESS OF THE CHARTER
15 SCHOOL ENTITY UNASSIGNED FUND BALANCE LIMIT SHALL BE REFUNDED ON
16 A PRO RATA BASIS TO ALL SCHOOL DISTRICTS THAT PAID TUITION TO
17 THE CHARTER SCHOOL ENTITY IN THE PRIOR SCHOOL YEAR.

18 (4) BY AUGUST 15, 2013, AND AUGUST 15 OF EACH YEAR
19 THEREAFTER, EACH CHARTER SCHOOL ENTITY SHALL PROVIDE THE
20 DEPARTMENT AND ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE
21 CHARTER SCHOOL ENTITY IN THE PRIOR SCHOOL YEAR WITH INFORMATION
22 CERTIFYING COMPLIANCE WITH THIS SECTION. THE INFORMATION SHALL
23 BE PROVIDED IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT
24 AND SHALL INCLUDE INFORMATION ON THE CHARTER SCHOOL ENTITY'S
25 ESTIMATED ENDING UNASSIGNED FUND BALANCE EXPRESSED AS A DOLLAR
26 AMOUNT AND AS A PERCENTAGE OF THE CHARTER SCHOOL ENTITY'S TOTAL
27 BUDGETED EXPENDITURES FOR THAT SCHOOL YEAR.

28 SECTION 10. SECTION 1716-A(C) OF THE ACT, ADDED JUNE 19,
29 1997 (P.L.225, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY
30 ADDING SUBSECTIONS TO READ:

1 SECTION 1716-A. POWERS OF BOARD OF TRUSTEES.--* * *

2 (B.1) (1) FOR A CHARTER SCHOOL ENTITY CHARTERED AFTER THE
3 EFFECTIVE DATE OF THIS SUBSECTION, AN INDIVIDUAL SHALL BE
4 PROHIBITED FROM SERVING AS A VOTING MEMBER OF THE BOARD OF
5 TRUSTEES OF THE CHARTER SCHOOL ENTITY IF THE INDIVIDUAL OR AN
6 IMMEDIATE FAMILY MEMBER RECEIVES COMPENSATION FROM OR IS
7 EMPLOYED BY OR IS A BOARD MEMBER OF THE LOCAL BOARD OF SCHOOL
8 DIRECTORS WHO PARTICIPATED IN THE INITIAL REVIEW, APPROVAL,
9 OVERSIGHT, EVALUATION OR RENEWAL PROCESS OF THE CHARTER SCHOOL
10 ENTITY CHARTERED BY THAT BOARD.

11 (2) AN EMPLOYEE OF THE SCHOOL DISTRICT THAT CHARTERED A
12 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL MAY SERVE AS A MEMBER
13 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL
14 CHARTER SCHOOL WITHOUT VOTING PRIVILEGES.

15 (B.2) (1) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER
16 SCHOOL ENTITY MAY PARTICIPATE IN THE SELECTION, AWARD OR
17 ADMINISTRATION OF ANY CONTRACT IF THE MEMBER HAS A CONFLICT OF
18 INTEREST AS THAT TERM IS DEFINED IN 65 PA.C.S. § 1102 (RELATING
19 TO DEFINITIONS).

20 (2) ANY MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
21 ENTITY WHO IN THE DISCHARGE OF THE PERSON'S OFFICIAL DUTIES
22 WOULD BE REQUIRED TO VOTE ON A MATTER THAT WOULD RESULT IN A
23 CONFLICT OF INTEREST SHALL ABSTAIN FROM VOTING AND FOLLOW THE
24 PROCEDURES REQUIRED UNDER 65 PA.C.S. § 1103(J) (RELATING TO
25 RESTRICTED ACTIVITIES).

26 (3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
27 ENTITY WHO KNOWINGLY VIOLATES THIS SUBSECTION COMMITS A
28 VIOLATION OF 65 PA.C.S. § 1103(A) AND SHALL BE SUBJECT TO THE
29 PENALTIES IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS
30 COMMISSION.

1 (4) A CONTRACT MADE IN VIOLATION OF THIS SUBSECTION SHALL BE
2 VOIDABLE BY A COURT OF COMPETENT JURISDICTION, IF THE SUIT IS
3 COMMENCED WITHIN NINETY (90) DAYS OF THE MAKING OF THE CONTRACT.

4 (5) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
5 ENTITY SHALL BE COMPENSATED FOR DUTIES ON THE BOARD OF TRUSTEES.

6 (B.3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
7 ENTITY SHALL BE AUTOMATICALLY DISQUALIFIED AND IMMEDIATELY
8 REMOVED FROM THE BOARD OF TRUSTEES UPON CONVICTION FOR AN
9 OFFENSE GRADED AS A FELONY, AN INFAMOUS CRIME, AN OFFENSE
10 PERTAINING TO FRAUD, THEFT OR MISMANAGEMENT OF PUBLIC FUNDS, ANY
11 OFFENSE PERTAINING TO HIS OFFICIAL CAPACITY AS A MEMBER OF THE
12 BOARD OF TRUSTEES OR ANY CRIME INVOLVING MORAL TURPITUDE.

13 (C) THE BOARD OF TRUSTEES SHALL COMPLY WITH [THE ACT OF JULY
14 3, 1986 (P.L.388, NO.84), KNOWN AS THE "SUNSHINE ACT."] 65
15 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

16 (D) (1) (I) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
17 ENTITY SHALL CONSIST OF A MINIMUM OF FIVE (5) NONRELATED VOTING
18 MEMBERS.

19 (II) IF A CHARTER SCHOOL ENTITY HAS FEWER THAN FIVE (5)
20 NONRELATED VOTING MEMBERS SERVING ON ITS BOARD OF TRUSTEES ON
21 THE EFFECTIVE DATE OF THIS SUBSECTION, THE CHARTER SCHOOL ENTITY
22 SHALL, WITHIN SIXTY (60) DAYS, APPOINT ADDITIONAL MEMBERS TO THE
23 BOARD OF TRUSTEES TO MEET THE MINIMUM REQUIREMENTS OF THIS
24 SECTION.

25 (2) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF THIS
26 SUBSECTION, AT LEAST ONE MEMBER OF THE BOARD OF TRUSTEES OF A
27 CHARTER SCHOOL ENTITY SHALL BE A PARENT OF A CHILD CURRENTLY
28 ATTENDING THE CHARTER SCHOOL ENTITY. THE BOARD OF TRUSTEES
29 MEMBER REQUIRED BY THIS PARAGRAPH SHALL BE ELIGIBLE TO SERVE
30 ONLY SO LONG AS THE CHILD ATTENDS THE CHARTER SCHOOL ENTITY.

1 (E) (1) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD OF
2 TRUSTEES SHALL CONSTITUTE A QUORUM. IF LESS THAN A MAJORITY IS
3 PRESENT AT ANY MEETING, NO BUSINESS MAY BE TRANSACTED AT THE
4 MEETING.

5 (2) THE AFFIRMATIVE VOTE OF A MAJORITY OF ALL THE VOTING
6 MEMBERS OF THE BOARD OF TRUSTEES, DULY RECORDED, SHALL BE
7 REQUIRED IN ORDER TO TAKE OFFICIAL ACTION ON THE SUBJECTS
8 ENUMERATED UNDER SUBSECTION (A).

9 (F) (1) IN ANY CASE WHERE THE BOARD OF TRUSTEES OF A
10 CHARTER SCHOOL ENTITY FAILS TO PAY OR TO PROVIDE FOR THE PAYMENT
11 OF:

12 (I) ANY INDEBTEDNESS AT DATE OF MATURITY OR DATE OF
13 MANDATORY REDEMPTION OR ON ANY SINKING FUND DEPOSIT DATE; OR

14 (II) ANY INTEREST DUE ON SUCH INDEBTEDNESS ON ANY INTEREST
15 PAYMENT DATE OR ON ANY SINKING FUND DEPOSIT DATE IN ACCORDANCE
16 WITH THE SCHEDULE UNDER WHICH THE BONDS WERE ISSUED,
17 THE BANK OR TRUSTEE FOR THE BONDS SHALL NOTIFY THE BOARD OF
18 TRUSTEES OF ITS OBLIGATION AND SHALL IMMEDIATELY NOTIFY THE
19 SECRETARY AND, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
20 CHARTER SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS.

21 (2) THE SECRETARY SHALL WITHHOLD ANY PAYMENT DUE THE CHARTER
22 SCHOOL ENTITY IN ANY AMOUNT NECESSARY TO FULLY FUND THE AMOUNT
23 HELD IN ESCROW BY THE CHARTER SCHOOL ENTITY WHICH SHALL BE EQUAL
24 TO THE SUM OF THE PRINCIPAL AMOUNT MATURING OR SUBJECT TO
25 MANDATORY REDEMPTION AND INTEREST OWING BY THE CHARTER SCHOOL
26 ENTITY OR SINKING FUND DEPOSIT DUE BY THE CHARTER SCHOOL ENTITY
27 AND SHALL REQUIRE PAYOVER OF THE AMOUNT WITHHELD TO THE BANK OR
28 TRUSTEE ACTING AS THE SINKING FUND DEPOSITARY FOR THE BOND ISSUE
29 FROM THE ESCROW ACCOUNT.

30 SECTION 11. SECTIONS 1717-A(C), (D), (E), (F) AND (I) AND

1 1719-A OF THE ACT, ADDED JUNE 19, 1997 (P.L.225, NO.22), ARE
2 AMENDED TO READ:

3 SECTION 1717-A. ESTABLISHMENT OF CHARTER SCHOOL.--* * *

4 (C) AN APPLICATION TO ESTABLISH A CHARTER SCHOOL SHALL BE
5 SUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS OF THE DISTRICT
6 WHERE THE CHARTER SCHOOL WILL BE LOCATED BY [NOVEMBER 15]
7 OCTOBER 1 OF THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR IN WHICH
8 THE CHARTER SCHOOL WILL BE ESTABLISHED EXCEPT THAT FOR A CHARTER
9 SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, AN APPLICATION
10 MUST BE RECEIVED BY JULY 15, 1997. IN THE 1997-1998 SCHOOL YEAR
11 ONLY, APPLICATIONS SHALL BE LIMITED TO RECIPIENTS OF FISCAL YEAR
12 1996-1997 DEPARTMENT OF EDUCATION CHARTER SCHOOL PLANNING
13 GRANTS.

14 (D) WITHIN FORTY-FIVE (45) DAYS OF RECEIPT OF AN
15 APPLICATION, THE LOCAL BOARD OF SCHOOL DIRECTORS IN WHICH THE
16 PROPOSED CHARTER SCHOOL IS TO BE LOCATED SHALL HOLD AT LEAST ONE
17 PUBLIC HEARING ON THE PROVISIONS OF THE CHARTER APPLICATION,
18 UNDER [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
19 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
20 AT LEAST FORTY-FIVE (45) DAYS MUST TRANSPIRE BETWEEN THE FIRST
21 PUBLIC HEARING AND THE FINAL DECISION OF THE BOARD ON THE
22 CHARTER APPLICATION EXCEPT THAT FOR A CHARTER SCHOOL BEGINNING
23 IN THE 1997-1998 SCHOOL YEAR, ONLY THIRTY (30) DAYS MUST
24 TRANSPIRE BETWEEN THE FIRST PUBLIC HEARING AND THE FINAL
25 DECISION OF THE BOARD.

26 (E) (1) NOT LATER THAN SEVENTY-FIVE (75) DAYS AFTER THE
27 FIRST PUBLIC HEARING ON THE APPLICATION, THE LOCAL BOARD OF
28 SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION. FOR A
29 CHARTER SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, THE LOCAL
30 BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION NO

1 LATER THAN SIXTY (60) DAYS AFTER THE FIRST PUBLIC HEARING.

2 (2) A CHARTER SCHOOL APPLICATION SUBMITTED UNDER THIS
3 ARTICLE SHALL BE EVALUATED BY THE LOCAL BOARD OF SCHOOL
4 DIRECTORS BASED ON CRITERIA, INCLUDING, BUT NOT LIMITED TO, THE
5 FOLLOWING:

6 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE CHARTER
7 SCHOOL PLAN BY TEACHERS, PARENTS, OTHER COMMUNITY MEMBERS AND
8 STUDENTS, INCLUDING COMMENTS RECEIVED AT THE PUBLIC HEARING HELD
9 UNDER SUBSECTION (D).

10 (II) THE CAPABILITY OF THE CHARTER SCHOOL APPLICANT, IN
11 TERMS OF SUPPORT AND PLANNING, TO PROVIDE COMPREHENSIVE LEARNING
12 EXPERIENCES TO STUDENTS PURSUANT TO THE ADOPTED CHARTER.

13 (III) THE EXTENT TO WHICH THE APPLICATION CONSIDERS THE
14 INFORMATION REQUESTED IN SECTION 1719-A AND CONFORMS TO THE
15 LEGISLATIVE INTENT OUTLINED IN SECTION 1702-A.

16 [(IV) THE EXTENT TO WHICH THE CHARTER SCHOOL MAY SERVE AS A
17 MODEL FOR OTHER PUBLIC SCHOOLS.]

18 (3) THE LOCAL BOARD OF SCHOOL DIRECTORS, IN THE CASE OF AN
19 EXISTING SCHOOL BEING CONVERTED TO A CHARTER SCHOOL, SHALL
20 ESTABLISH THE ALTERNATIVE ARRANGEMENTS FOR CURRENT STUDENTS WHO
21 CHOOSE NOT TO ATTEND THE CHARTER SCHOOL.

22 (4) A CHARTER APPLICATION SHALL BE DEEMED APPROVED BY THE
23 LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT UPON
24 AFFIRMATIVE VOTE BY A MAJORITY OF ALL THE DIRECTORS. FORMAL
25 ACTION APPROVING OR DENYING THE APPLICATION SHALL BE TAKEN BY
26 THE LOCAL BOARD OF SCHOOL DIRECTORS AT A PUBLIC MEETING, WITH
27 NOTICE OR CONSIDERATION OF THE APPLICATION GIVEN BY THE BOARD,
28 UNDER [THE "SUNSHINE ACT."] 65 PA.C.S. CH. 7.

29 (5) WRITTEN NOTICE OF THE BOARD'S ACTION SHALL BE SENT TO
30 THE APPLICANT, THE DEPARTMENT AND THE APPEAL BOARD. IF THE

1 APPLICATION IS DENIED, THE REASONS FOR THE DENIAL, INCLUDING A
2 DESCRIPTION OF DEFICIENCIES IN THE APPLICATION, SHALL BE CLEARLY
3 STATED IN THE NOTICE SENT BY THE LOCAL BOARD OF SCHOOL DIRECTORS
4 TO THE CHARTER SCHOOL APPLICANT.

5 (F) AT THE OPTION OF THE CHARTER SCHOOL APPLICANT, A DENIED
6 APPLICATION MAY BE REVISED AND RESUBMITTED TO THE LOCAL BOARD OF
7 SCHOOL DIRECTORS. FOLLOWING THE APPOINTMENT AND CONFIRMATION OF
8 THE CHARTER SCHOOL APPEAL BOARD UNDER SECTION 1721-A, THE
9 DECISION OF THE LOCAL BOARD OF SCHOOL DIRECTORS MAY BE APPEALED
10 TO THE APPEAL BOARD. WHEN AN APPLICATION IS REVISED AND
11 RESUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS, THE BOARD
12 MAY SCHEDULE ADDITIONAL PUBLIC HEARINGS ON THE REVISED
13 APPLICATION. THE BOARD SHALL CONSIDER THE REVISED AND
14 RESUBMITTED APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT
15 LEAST FORTY-FIVE (45) DAYS AFTER RECEIPT OF THE REVISED
16 APPLICATION BY THE BOARD. FOR A REVISED APPLICATION RESUBMITTED
17 FOR THE 1997-1998 SCHOOL YEAR, THE BOARD SHALL CONSIDER THE
18 APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT LEAST THIRTY
19 (30) DAYS AFTER ITS RECEIPT. THE BOARD SHALL PROVIDE NOTICE OF
20 CONSIDERATION OF THE REVISED APPLICATION UNDER [THE "SUNSHINE
21 ACT."] 65 PA.C.S. CH. 7. NO APPEAL FROM A DECISION OF A LOCAL
22 SCHOOL BOARD MAY BE TAKEN UNTIL JULY 1, 1999.

23 * * *

24 (I) (1) THE APPEAL BOARD SHALL HAVE THE EXCLUSIVE REVIEW OF
25 AN APPEAL BY A CHARTER SCHOOL APPLICANT, OR BY THE BOARD OF
26 TRUSTEES OF AN EXISTING CHARTER SCHOOL, OF A DECISION MADE BY A
27 LOCAL BOARD OF DIRECTORS NOT TO GRANT A CHARTER AS PROVIDED IN
28 THIS SECTION.

29 [(2) IN ORDER FOR A CHARTER SCHOOL APPLICANT TO BE ELIGIBLE
30 TO APPEAL THE DENIAL OF A CHARTER BY THE LOCAL BOARD OF

1 DIRECTORS, THE APPLICANT MUST OBTAIN THE SIGNATURES OF AT LEAST
2 TWO PER CENTUM OF THE RESIDENTS OF THE SCHOOL DISTRICT OR OF ONE
3 THOUSAND (1,000) RESIDENTS, WHICHEVER IS LESS, WHO ARE OVER
4 EIGHTEEN (18) YEARS OF AGE. FOR A REGIONAL CHARTER SCHOOL, THE
5 APPLICANT MUST OBTAIN THE SIGNATURES OF AT LEAST TWO PER CENTUM
6 OF THE RESIDENTS OF EACH SCHOOL DISTRICT GRANTING THE CHARTER OR
7 OF ONE THOUSAND (1,000) RESIDENTS FROM EACH OF THE SCHOOL
8 DISTRICTS GRANTING THE CHARTER, WHICHEVER IS LESS, WHO ARE OVER
9 EIGHTEEN (18) YEARS OF AGE. THE SIGNATURES SHALL BE OBTAINED
10 WITHIN SIXTY (60) DAYS OF THE DENIAL OF THE APPLICATION BY THE
11 LOCAL BOARD OF DIRECTORS IN ACCORDANCE WITH CLAUSE (3).

12 (3) EACH PERSON SIGNING A PETITION TO APPEAL DENIAL OF A
13 CHARTER UNDER CLAUSE (2) SHALL DECLARE THAT HE OR SHE IS A
14 RESIDENT OF THE SCHOOL DISTRICT WHICH DENIED THE CHARTER
15 APPLICATION AND SHALL INCLUDE HIS OR HER PRINTED NAME;
16 SIGNATURE; ADDRESS, INCLUDING CITY, BOROUGH OR TOWNSHIP, WITH
17 STREET AND NUMBER, IF ANY; AND THE DATE OF SIGNING. ALL PAGES
18 SHALL BE BOUND TOGETHER. ADDITIONAL PAGES OF THE PETITION SHALL
19 BE NUMBERED CONSECUTIVELY. THERE SHALL BE APPENDED TO THE
20 PETITION A STATEMENT THAT THE LOCAL BOARD OF DIRECTORS REJECTED
21 THE PETITION FOR A CHARTER SCHOOL, THE NAMES OF ALL APPLICANTS
22 FOR THE CHARTER, THE DATE OF DENIAL BY THE BOARD AND THE
23 PROPOSED LOCATION OF THE CHARTER SCHOOL. NO RESIDENT MAY SIGN
24 MORE THAN ONE PETITION RELATING TO THE CHARTER SCHOOL
25 APPLICATION WITHIN THE SIXTY (60) DAYS FOLLOWING DENIAL OF THE
26 APPLICATION. THE DEPARTMENT SHALL DEVELOP A FORM TO BE USED TO
27 PETITION FOR AN APPEAL.

28 (4) EACH PETITION SHALL HAVE APPENDED THERETO THE AFFIDAVIT
29 OF SOME PERSON, NOT NECESSARILY A SIGNER, SETTING FORTH ALL OF
30 THE FOLLOWING:

1 (I) THAT THE AFFIANT IS A RESIDENT OF THE SCHOOL DISTRICT
2 REFERRED TO IN THE PETITION.

3 (II) THE AFFIANT'S RESIDENCE, GIVING CITY, BOROUGH OR
4 TOWNSHIP, WITH STREET AND NUMBER, IF ANY.

5 (III) THAT THE SIGNERS SIGNED WITH FULL KNOWLEDGE OF THE
6 PURPOSE OF THE PETITION.

7 (IV) THAT THE SIGNERS' RESPECTIVE RESIDENCES ARE CORRECTLY
8 STATED IN THE PETITION.

9 (V) THAT THE SIGNERS ALL RESIDE IN THE SCHOOL DISTRICT.

10 (VI) THAT EACH SIGNER SIGNED ON THE DATE SET FORTH OPPOSITE
11 THE SIGNER'S NAME.

12 (VII) THAT TO THE BEST OF THE AFFIANT'S KNOWLEDGE AND
13 BELIEF, THE SIGNERS ARE RESIDENTS OF THE SCHOOL DISTRICT.

14 (5) IF THE REQUIRED NUMBER OF SIGNATURES ARE OBTAINED WITHIN
15 SIXTY (60) DAYS OF THE DENIAL OF THE APPLICATION, THE APPLICANT
16 MAY PRESENT THE PETITION TO THE COURT OF COMMON PLEAS OF THE
17 COUNTY IN WHICH THE CHARTER SCHOOL WOULD BE SITUATED. THE COURT
18 SHALL HOLD A HEARING ONLY ON THE SUFFICIENCY OF THE PETITION.
19 THE APPLICANT AND LOCAL BOARD OF SCHOOL DIRECTORS SHALL BE GIVEN
20 SEVEN (7) DAYS' NOTICE OF THE HEARING. THE COURT SHALL ISSUE A
21 DECREE ESTABLISHING THE SUFFICIENCY OR INSUFFICIENCY OF THE
22 PETITION. IF THE PETITION IS SUFFICIENT, THE DECREE SHALL BE
23 TRANSMITTED TO THE STATE CHARTER SCHOOL APPEAL BOARD FOR REVIEW
24 IN ACCORDANCE WITH THIS SECTION. NOTIFICATION OF THE DECREE
25 SHALL BE GIVEN TO THE APPLICANT AND THE LOCAL BOARD OF
26 DIRECTORS.]

27 (6) IN ANY APPEAL, THE DECISION MADE BY THE LOCAL BOARD OF
28 DIRECTORS SHALL BE REVIEWED BY THE APPEAL BOARD ON THE RECORD AS
29 CERTIFIED BY THE LOCAL BOARD OF DIRECTORS. THE APPEAL BOARD
30 SHALL GIVE DUE CONSIDERATION TO THE FINDINGS OF THE LOCAL BOARD

1 OF DIRECTORS AND SPECIFICALLY ARTICULATE ITS REASONS FOR
2 AGREEING OR DISAGREEING WITH THOSE FINDINGS IN ITS WRITTEN
3 DECISION. THE APPEAL BOARD SHALL HAVE THE DISCRETION TO ALLOW
4 THE LOCAL BOARD OF DIRECTORS AND THE CHARTER SCHOOL APPLICANT TO
5 SUPPLEMENT THE RECORD IF THE SUPPLEMENTAL INFORMATION WAS
6 PREVIOUSLY UNAVAILABLE.

7 (7) NOT LATER THAN THIRTY (30) DAYS AFTER THE DATE OF NOTICE
8 OF THE ACCEPTANCE OF THE APPEAL, THE APPEAL BOARD SHALL MEET TO
9 OFFICIALLY REVIEW THE CERTIFIED RECORD.

10 (8) NOT LATER THAN SIXTY (60) DAYS FOLLOWING THE REVIEW
11 CONDUCTED PURSUANT TO CLAUSE (6), THE APPEAL BOARD SHALL ISSUE A
12 WRITTEN DECISION AFFIRMING OR DENYING THE APPEAL. IF THE APPEAL
13 BOARD HAS AFFIRMED THE DECISION OF THE LOCAL BOARD OF DIRECTORS,
14 NOTICE SHALL BE PROVIDED TO BOTH PARTIES.

15 (9) A DECISION OF THE APPEAL BOARD TO REVERSE THE DECISION
16 OF THE LOCAL BOARD OF DIRECTORS SHALL SERVE AS A REQUIREMENT FOR
17 THE LOCAL BOARD OF DIRECTORS OF A SCHOOL DISTRICT OR SCHOOL
18 DISTRICTS, AS APPROPRIATE, TO GRANT THE APPLICATION AND SIGN THE
19 WRITTEN CHARTER OF THE CHARTER SCHOOL AS PROVIDED FOR IN SECTION
20 1720-A. SHOULD THE LOCAL BOARD OF DIRECTORS FAIL TO GRANT THE
21 APPLICATION AND SIGN THE CHARTER WITHIN TEN (10) DAYS OF NOTICE
22 OF THE REVERSAL OF THE DECISION OF THE LOCAL BOARD OF DIRECTORS,
23 THE CHARTER SHALL BE DEEMED TO BE APPROVED AND SHALL BE SIGNED
24 BY THE CHAIRMAN OF THE APPEAL BOARD.

25 (10) ALL DECISIONS OF THE APPEAL BOARD SHALL BE SUBJECT TO
26 APPELLATE REVIEW BY THE COMMONWEALTH COURT.

27 SECTION 1719-A. CONTENTS OF APPLICATION.--[AN] (A) THE
28 DEPARTMENT, IN CONSULTATION WITH REPRESENTATIVES OF CHARTER
29 SCHOOL ENTITIES, SHALL CREATE A STANDARD APPLICATION FORM FOR
30 CHARTER SCHOOL APPLICANTS TO ESTABLISH A CHARTER SCHOOL ENTITY

1 AND FOR EXISTING CHARTER SCHOOL ENTITIES SEEKING RENEWAL OF
2 THEIR CHARTERS. THE FORM SHALL BE PUBLISHED IN THE PENNSYLVANIA
3 BULLETIN AND POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE
4 INTERNET WEBSITE. THE FORM SHALL INCLUDE ALL OF THE FOLLOWING
5 INFORMATION:

6 (1) THE IDENTIFICATION OF THE CHARTER SCHOOL APPLICANT.

7 (2) THE NAME OF THE PROPOSED CHARTER SCHOOL ENTITY.

8 (3) THE GRADE OR AGE LEVELS SERVED BY THE SCHOOL.

9 (4) [THE PROPOSED GOVERNANCE STRUCTURE OF THE CHARTER
10 SCHOOL, INCLUDING A DESCRIPTION AND METHOD FOR THE APPOINTMENT
11 OR ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.] AN

12 ORGANIZATION CHART CLEARLY PRESENTING THE PROPOSED GOVERNANCE
13 STRUCTURE OF THE SCHOOL, INCLUDING LINES OF AUTHORITY AND
14 REPORTING BETWEEN THE BOARD OF TRUSTEES, ADMINISTRATORS, STAFF
15 AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
16 PROVIDE MANAGEMENT SERVICES TO THE CHARTER SCHOOL ENTITY.

17 (4.1) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES
18 FOR THE BOARD OF TRUSTEES, ADMINISTRATORS AND ANY OTHER
19 ENTITIES, INCLUDING A CHARTER SCHOOL FOUNDATION, SHOWN IN THE
20 ORGANIZATION CHART.

21 (4.2) A CLEAR DESCRIPTION AND METHOD FOR THE APPOINTMENT OR
22 ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.

23 (4.3) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE, INCLUDING
24 COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND TERMS OF
25 THE CHARTER.

26 (4.4) IF THE CHARTER SCHOOL ENTITY INTENDS TO CONTRACT WITH
27 AN EDUCATIONAL MANAGEMENT SERVICE PROVIDER FOR SERVICES, ALL OF
28 THE FOLLOWING:

29 (I) EVIDENCE OF THE EDUCATIONAL MANAGEMENT SERVICE
30 PROVIDER'S RECORD IN SERVING STUDENT POPULATIONS, INCLUDING

1 DEMONSTRATED ACADEMIC ACHIEVEMENT AND DEMONSTRATED MANAGEMENT OF
2 NONACADEMIC SCHOOL FUNCTIONS, INCLUDING PROFICIENCY WITH PUBLIC
3 SCHOOL-BASED ACCOUNTING, IF APPLICABLE.

4 (II) A DRAFT CONTRACT STATING ALL OF THE FOLLOWING:

5 (A) THE OFFICERS, CHIEF ADMINISTRATOR AND ADMINISTRATORS OF
6 THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

7 (B) THE PROPOSED DURATION OF THE SERVICE CONTRACT.

8 (C) ROLES AND RESPONSIBILITIES OF THE BOARD OF TRUSTEES, THE
9 SCHOOL STAFF AND THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

10 (D) THE SCOPE OF SERVICES, PERSONNEL AND RESOURCES TO BE
11 PROVIDED BY THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

12 (E) PERFORMANCE EVALUATION MEASURES AND TIMELINES.

13 (F) THE COMPENSATION STRUCTURE, INCLUDING CLEAR
14 IDENTIFICATION OF ALL FEES TO BE PAID TO THE EDUCATIONAL
15 MANAGEMENT SERVICE PROVIDER.

16 (G) METHODS OF CONTRACT OVERSIGHT AND ENFORCEMENT.

17 (H) INVESTMENT DISCLOSURE OR THE ADVANCE OF MONEYS BY THE
18 EDUCATIONAL MANAGEMENT SERVICE PROVIDER ON BEHALF OF THE CHARTER
19 SCHOOL ENTITY.

20 (I) CONDITIONS FOR RENEWAL AND TERMINATION OF THE CONTRACT.

21 (III) DISCLOSURE AND EXPLANATION OF ANY EXISTING OR
22 POTENTIAL CONFLICTS OF INTEREST BETWEEN THE MEMBERS OF THE BOARD
23 OF TRUSTEES AND THE PROPOSED EDUCATIONAL MANAGEMENT SERVICE
24 PROVIDER OR ANY AFFILIATED BUSINESS ENTITIES, INCLUDING A
25 CHARTER SCHOOL FOUNDATION QUALIFIED AS A SUPPORT ORGANIZATION
26 UNDER THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26
27 U.S.C. § 1 ET SEQ.).

28 (5) THE MISSION AND EDUCATION GOALS OF THE CHARTER SCHOOL
29 ENTITY, THE CURRICULUM TO BE OFFERED AND THE METHODS OF
30 ASSESSING WHETHER STUDENTS ARE MEETING EDUCATIONAL GOALS.

1 (6) THE ADMISSION POLICY AND CRITERIA FOR EVALUATING THE
2 ADMISSION OF STUDENTS WHICH SHALL COMPLY WITH THE REQUIREMENTS
3 OF SECTION 1723-A.

4 (7) PROCEDURES WHICH WILL BE USED REGARDING THE SUSPENSION
5 OR EXPULSION OF PUPILS. SAID PROCEDURES SHALL COMPLY WITH
6 SECTION 1318.

7 (8) INFORMATION ON THE MANNER IN WHICH COMMUNITY GROUPS WILL
8 BE INVOLVED IN THE CHARTER SCHOOL ENTITY PLANNING PROCESS.

9 (9) THE FINANCIAL PLAN FOR THE CHARTER SCHOOL ENTITY AND THE
10 PROVISIONS WHICH WILL BE MADE FOR AUDITING THE SCHOOL UNDER
11 [SECTION] SECTIONS 437 AND 1728-A, INCLUDING THE ROLE OF ANY
12 CHARTER SCHOOL FOUNDATION.

13 (10) PROCEDURES WHICH SHALL BE ESTABLISHED TO REVIEW
14 COMPLAINTS OF PARENTS REGARDING THE OPERATION OF THE CHARTER
15 SCHOOL ENTITY.

16 (11) A DESCRIPTION OF AND ADDRESS OF THE PHYSICAL FACILITY
17 IN WHICH THE CHARTER SCHOOL ENTITY WILL BE LOCATED AND THE
18 OWNERSHIP THEREOF AND ANY LEASE ARRANGEMENTS.

19 (12) INFORMATION ON THE PROPOSED SCHOOL CALENDAR FOR THE
20 CHARTER SCHOOL ENTITY, INCLUDING THE LENGTH OF THE SCHOOL DAY
21 AND SCHOOL YEAR CONSISTENT WITH THE PROVISIONS OF SECTION 1502.

22 (13) THE PROPOSED FACULTY, IF ALREADY DETERMINED, AND A
23 PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION PLAN FOR THE
24 FACULTY AND PROFESSIONAL STAFF OF [A] THE CHARTER SCHOOL ENTITY.

25 (14) WHETHER ANY AGREEMENTS HAVE BEEN ENTERED INTO OR PLANS
26 DEVELOPED WITH THE LOCAL SCHOOL DISTRICT REGARDING PARTICIPATION
27 OF THE CHARTER SCHOOL ENTITY'S STUDENTS IN EXTRACURRICULAR
28 ACTIVITIES WITHIN THE SCHOOL DISTRICT. NOTWITHSTANDING ANY
29 PROVISION TO THE CONTRARY, NO SCHOOL DISTRICT OF RESIDENCE SHALL
30 PROHIBIT A STUDENT OF A CHARTER SCHOOL ENTITY FROM PARTICIPATING

1 IN ANY EXTRACURRICULAR ACTIVITY OF THAT SCHOOL DISTRICT OF
2 RESIDENCE: PROVIDED, THAT THE STUDENT IS ABLE TO FULFILL ALL OF
3 THE REQUIREMENTS OF PARTICIPATION IN SUCH ACTIVITY AND THE
4 CHARTER SCHOOL ENTITY DOES NOT PROVIDE THE SAME EXTRACURRICULAR
5 ACTIVITY.

6 (15) A REPORT OF CRIMINAL HISTORY RECORD, PURSUANT TO
7 SECTION 111, FOR ALL INDIVIDUALS IDENTIFIED IN THE APPLICATION
8 WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A PLAN FOR
9 SATISFYING THE PROPER CRIMINAL HISTORY RECORD CLEARANCES
10 REQUIRED FOR ALL OTHER STAFF.

11 (16) AN OFFICIAL CLEARANCE STATEMENT REGARDING CHILD INJURY
12 OR ABUSE FROM THE DEPARTMENT OF PUBLIC WELFARE AS REQUIRED BY 23
13 PA.C.S. CH. 63 SUBCH. C.2 (RELATING TO BACKGROUND CHECKS FOR
14 EMPLOYMENT IN SCHOOLS) FOR ALL INDIVIDUALS IDENTIFIED IN THE
15 APPLICATION WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A
16 PLAN FOR SATISFYING THE PROPER OFFICIAL CLEARANCE STATEMENT
17 REGARDING CHILD INJURY OR ABUSE REQUIRED FOR ALL OTHER STAFF.

18 (17) HOW THE CHARTER SCHOOL ENTITY WILL PROVIDE ADEQUATE
19 LIABILITY AND OTHER APPROPRIATE INSURANCE FOR THE CHARTER SCHOOL
20 ENTITY, ITS EMPLOYEES AND THE BOARD OF TRUSTEES OF THE CHARTER
21 SCHOOL ENTITY.

22 (18) POLICIES REGARDING TRUANCY, ABSENCES AND WITHDRAWAL OF
23 STUDENTS, INCLUDING THE MANNER IN WHICH THE CHARTER SCHOOL
24 ENTITY WILL MONITOR ATTENDANCE CONSISTENT WITH SECTION 1715-A(A)
25 (9).

26 (19) HOW THE CHARTER SCHOOL ENTITY WILL MEET THE STANDARDS
27 INCLUDED IN THE PERFORMANCE MATRIX DEVELOPED BY THE STATE BOARD
28 OF EDUCATION UNDER SECTION 1732-A(C) (3).

29 (20) INDICATE WHETHER OR NOT THE CHARTER SCHOOL ENTITY WILL
30 SEEK ACCREDITATION BY A NATIONALLY RECOGNIZED ACCREDITATION

1 AGENCY, INCLUDING THE MIDDLE STATES ASSOCIATION OF COLLEGES AND
2 SCHOOLS OR ANOTHER REGIONAL INSTITUTIONAL ACCREDITING AGENCY
3 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION OR AN
4 EQUIVALENT FEDERALLY RECOGNIZED BODY FOR CHARTER SCHOOL
5 EDUCATION.

6 (B) A LOCAL BOARD OF SCHOOL DIRECTORS MAY NOT IMPOSE
7 ADDITIONAL TERMS, DEVELOP ITS OWN APPLICATION OR REQUIRE
8 ADDITIONAL INFORMATION OUTSIDE THE STANDARD APPLICATION FORM
9 REQUIRED UNDER SUBSECTION (A).

10 SECTION 12. SECTION 1720-A OF THE ACT, AMENDED JULY 9, 2008
11 (P.L.846, NO.61), IS AMENDED TO READ:

12 SECTION 1720-A. TERM AND FORM OF CHARTER.-- (A) UPON
13 APPROVAL OF A CHARTER APPLICATION UNDER SECTION 1717-A, A
14 WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
15 PROVISIONS OF THE STANDARDIZED CHARTER APPLICATION UNDER SECTION
16 1719-A AND WHICH SHALL BE SIGNED BY THE LOCAL BOARD OF SCHOOL
17 DIRECTORS OF A SCHOOL DISTRICT, BY THE LOCAL BOARDS OF SCHOOL
18 DIRECTORS OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER
19 SCHOOL OR BY THE CHAIRMAN OF THE APPEAL BOARD PURSUANT TO
20 SECTION [1717-A(I) (5)] 1717-A(I) AND THE BOARD OF TRUSTEES OF
21 THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL. THIS WRITTEN
22 CHARTER, WHEN DULY SIGNED BY THE LOCAL BOARD OF SCHOOL DIRECTORS
23 OF A SCHOOL DISTRICT, OR BY THE LOCAL BOARDS OF SCHOOL DIRECTORS
24 OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER SCHOOL,
25 AND THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL'S BOARD OF
26 TRUSTEES, SHALL ACT AS LEGAL AUTHORIZATION FOR THE ESTABLISHMENT
27 OF A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL. THIS WRITTEN
28 CHARTER SHALL BE LEGALLY BINDING ON BOTH THE LOCAL BOARD OF
29 SCHOOL DIRECTORS OF A SCHOOL DISTRICT AND THE CHARTER SCHOOL OR
30 REGIONAL CHARTER SCHOOL'S BOARD OF TRUSTEES. [EXCEPT AS

1 OTHERWISE PROVIDED IN SUBSECTION (B), THE] IF THE CHARTER SCHOOL
2 OR REGIONAL CHARTER SCHOOL CONTRACTS WITH AN EDUCATIONAL
3 MANAGEMENT SERVICE PROVIDER, AN EXECUTED CONTRACT SHALL BE
4 SIGNED ONCE THE CHARTER IS APPROVED. THE CHARTER SHALL BE FOR A
5 PERIOD OF [NO LESS THAN THREE (3) NOR MORE THAN] FIVE (5) YEARS
6 AND MAY BE RENEWED FOR [FIVE (5)] TEN (10) YEAR PERIODS UPON
7 REAUTHORIZATION BY THE LOCAL BOARD OF SCHOOL DIRECTORS OF A
8 SCHOOL DISTRICT OR THE APPEAL BOARD. A CHARTER WILL BE GRANTED
9 ONLY FOR A SCHOOL ORGANIZED AS A PUBLIC, NONPROFIT CORPORATION.

10 (B) [(1) NOTWITHSTANDING SUBSECTION (A), A GOVERNING BOARD
11 OF A SCHOOL DISTRICT OF THE FIRST CLASS MAY RENEW A CHARTER FOR
12 A PERIOD OF ONE (1) YEAR IF THE BOARD OF SCHOOL DIRECTORS
13 DETERMINES THAT THERE IS INSUFFICIENT DATA CONCERNING THE
14 CHARTER SCHOOL'S ACADEMIC PERFORMANCE TO ADEQUATELY ASSESS THAT
15 PERFORMANCE AND DETERMINES THAT AN ADDITIONAL YEAR OF
16 PERFORMANCE DATA WOULD YIELD SUFFICIENT DATA TO ASSIST THE
17 GOVERNING BOARD IN ITS DECISION WHETHER TO RENEW THE CHARTER FOR
18 A PERIOD OF FIVE (5) YEARS.

19 (2) A ONE-YEAR RENEWAL PURSUANT TO PARAGRAPH (1) SHALL NOT
20 BE CONSIDERED AN ADJUDICATION AND MAY NOT BE APPEALED TO THE
21 STATE CHARTER SCHOOL APPEAL BOARD.

22 (3) A GOVERNING BOARD OF A SCHOOL DISTRICT OF THE FIRST
23 CLASS DOES NOT HAVE THE AUTHORITY TO RENEW A CHARTER FOR
24 SUCCESSIVE ONE (1) YEAR PERIODS] (RESERVED).

25 (C) (1) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL MAY
26 REQUEST AMENDMENTS TO ITS APPROVED WRITTEN CHARTER BY FILING A
27 WRITTEN DOCUMENT DESCRIBING THE REQUESTED AMENDMENT WITH THE
28 LOCAL BOARD OF SCHOOL DIRECTORS.

29 (2) WITHIN TWENTY (20) DAYS OF ITS RECEIPT OF THE REQUEST
30 FOR AN AMENDMENT, THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL HOLD

1 A PUBLIC HEARING ON THE REQUESTED AMENDMENT UNDER 65 PA.C.S. CH.
2 7 (RELATING TO OPEN MEETINGS).

3 (3) WITHIN TWENTY (20) DAYS AFTER THE HEARING, THE LOCAL
4 BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE REQUESTED
5 AMENDMENT. FAILURE BY THE LOCAL BOARD OF SCHOOL DIRECTORS TO
6 HOLD A PUBLIC HEARING AND TO GRANT OR DENY THE AMENDMENT WITHIN
7 THE TIME PERIOD SPECIFIED IN THIS SUBSECTION SHALL BE DEEMED AN
8 APPROVAL.

9 (4) AN APPLICANT FOR AN AMENDMENT SHALL HAVE THE RIGHT TO
10 APPEAL THE DENIAL OF A REQUESTED AMENDMENT TO THE APPEAL BOARD
11 PROVIDED FOR UNDER SECTION 1721-A.

12 SECTION 13. SECTION 1721-A(A) AND (E) OF THE ACT, ADDED JUNE
13 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

14 SECTION 1721-A. STATE CHARTER SCHOOL APPEAL BOARD.-- (A) THE
15 STATE CHARTER SCHOOL APPEAL BOARD SHALL CONSIST OF THE SECRETARY
16 OF EDUCATION AND [SIX (6)] THE FOLLOWING MEMBERS WHO SHALL BE
17 APPOINTED BY THE GOVERNOR BY AND WITH THE CONSENT OF A MAJORITY
18 OF ALL THE MEMBERS OF THE SENATE. [APPOINTMENTS BY THE GOVERNOR
19 SHALL NOT OCCUR PRIOR TO JANUARY 1, 1999.] THE GOVERNOR SHALL
20 SELECT THE CHAIRMAN OF THE APPEAL BOARD TO SERVE AT THE PLEASURE
21 OF THE GOVERNOR. THE MEMBERS SHALL INCLUDE:

22 (1) A PARENT OF A SCHOOL-AGED CHILD ENROLLED AT A CHARTER
23 SCHOOL ENTITY.

24 (2) A SCHOOL BOARD MEMBER.

25 (3) A CERTIFIED TEACHER ACTIVELY EMPLOYED IN A PUBLIC
26 SCHOOL.

27 (4) A FACULTY MEMBER OR ADMINISTRATIVE EMPLOYEE OF AN
28 INSTITUTION OF HIGHER EDUCATION.

29 (5) A MEMBER OF THE BUSINESS COMMUNITY.

30 (6) A MEMBER OF THE STATE BOARD OF EDUCATION.

1 (7) AN ADMINISTRATOR OF A CHARTER SCHOOL ENTITY.

2 (8) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
3 ENTITY.

4 THE TERM OF OFFICE OF MEMBERS OF THE APPEAL BOARD, OTHER THAN
5 THE SECRETARY, SHALL BE FOR A PERIOD OF FOUR (4) YEARS OR UNTIL
6 A SUCCESSOR IS APPOINTED AND QUALIFIED, EXCEPT THAT, OF THE
7 INITIAL APPOINTEES, THE GOVERNOR SHALL DESIGNATE TWO (2) MEMBERS
8 TO SERVE TERMS OF TWO (2) YEARS, TWO (2) MEMBERS TO SERVE TERMS
9 OF THREE (3) YEARS AND TWO (2) MEMBERS TO SERVE TERMS OF FOUR
10 (4) YEARS. A PARENT MEMBER APPOINTED UNDER PARAGRAPH (1) SHALL
11 SERVE A TERM OF FOUR (4) YEARS, PROVIDED THE MEMBER'S CHILD
12 REMAINS ENROLLED IN THE CHARTER SCHOOL ENTITY. ANY APPOINTMENT
13 TO FILL ANY VACANCY SHALL BE FOR THE PERIOD OF THE UNEXPIRED
14 TERM OR UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIED.

15 * * *

16 (E) MEETINGS OF THE APPEAL BOARD SHALL BE CONDUCTED UNDER
17 [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
18 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
19 DOCUMENTS OF THE APPEAL BOARD SHALL BE SUBJECT TO THE ACT OF
20 JUNE 21, 1957 (P.L.390, NO.212), REFERRED TO AS THE RIGHT-TO-
21 KNOW LAW.

22 SECTION 14. SECTION 1722-A OF THE ACT, AMENDED NOVEMBER 17,
23 2010 (P.L.996, NO.104), IS AMENDED TO READ:

24 SECTION 1722-A. FACILITIES.--(A) A CHARTER SCHOOL ENTITY
25 MAY BE LOCATED IN AN EXISTING PUBLIC SCHOOL BUILDING, IN A PART
26 OF AN EXISTING PUBLIC SCHOOL BUILDING, IN SPACE PROVIDED ON A
27 PRIVATELY OWNED SITE, IN A PUBLIC BUILDING OR IN ANY OTHER
28 SUITABLE LOCATION.

29 (B) THE CHARTER SCHOOL ENTITY FACILITY SHALL BE EXEMPT FROM
30 PUBLIC SCHOOL FACILITY REGULATIONS EXCEPT THOSE PERTAINING TO

1 THE HEALTH OR SAFETY OF [THE PUPILS] STUDENTS.

2 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, A
3 SCHOOL DISTRICT [OF THE FIRST CLASS] MAY, IN ITS DISCRETION,
4 PERMIT A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO OPERATE
5 ITS SCHOOL AT MORE THAN ONE LOCATION.

6 (E) (1) NOTWITHSTANDING THE PROVISIONS OF SECTION 204 OF
7 THE ACT OF MAY 22, 1933 (P.L.853, NO.155), KNOWN AS THE GENERAL
8 COUNTY ASSESSMENT LAW, ALL SCHOOL PROPERTY, REAL AND PERSONAL,
9 OWNED BY ANY CHARTER SCHOOL, REGIONAL CHARTER SCHOOL, CYBER
10 CHARTER SCHOOL OR AN ASSOCIATED NONPROFIT FOUNDATION, OR OWNED
11 BY A NONPROFIT CORPORATION, ASSOCIATED NONPROFIT CORPORATION OR
12 NONPROFIT FOUNDATION AND LEASED TO A CHARTER SCHOOL, REGIONAL
13 CHARTER SCHOOL, CYBER CHARTER SCHOOL [OR] ASSOCIATED NONPROFIT
14 FOUNDATION OR ASSOCIATED NONPROFIT CORPORATION AT OR BELOW FAIR
15 MARKET VALUE, THAT IS OCCUPIED AND USED BY ANY CHARTER SCHOOL, REGIONAL
16 CHARTER SCHOOL OR CYBER CHARTER SCHOOL FOR PUBLIC
17 SCHOOL, RECREATION OR ANY OTHER PURPOSES PROVIDED FOR BY THIS
18 ACT, SHALL BE MADE EXEMPT FROM EVERY KIND OF STATE, COUNTY,
19 CITY, BOROUGH, TOWNSHIP OR OTHER REAL ESTATE TAX, INCLUDING
20 PAYMENTS IN LIEU OF TAXES ESTABLISHED THROUGH AGREEMENT WITH THE
21 COMMONWEALTH OR ANY LOCAL TAXING AUTHORITY, AS WELL AS FROM ALL
22 COSTS OR EXPENSES FOR PAVING, CURBING, SIDEWALKS, SEWERS OR
23 OTHER MUNICIPAL IMPROVEMENTS, PROVIDED, THAT ANY CHARTER SCHOOL, REGIONAL
24 CHARTER SCHOOL OR CYBER CHARTER SCHOOL OR OWNER OF
25 PROPERTY LEASED TO A CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR
26 CYBER CHARTER SCHOOL MAY MAKE A MUNICIPAL IMPROVEMENT IN A
27 STREET ON WHICH ITS SCHOOL PROPERTY ABUTS OR MAY CONTRIBUTE A
28 SUM TOWARD THE COST OF THE IMPROVEMENT.

29 (2) ANY AGREEMENT ENTERED INTO BY A CHARTER SCHOOL, REGIONAL
30 CHARTER SCHOOL, CYBER CHARTER SCHOOL [OR] ASSOCIATED NONPROFIT

1 FOUNDATION OR ASSOCIATED NONPROFIT CORPORATION WITH THE
2 COMMONWEALTH OR A LOCAL TAXING AUTHORITY FOR PAYMENTS IN LIEU OF
3 TAXES PRIOR TO DECEMBER 31, 2009, SHALL BE NULL AND VOID.

4 (3) THIS SUBSECTION SHALL APPLY RETROACTIVELY TO ALL CHARTER
5 SCHOOLS, REGIONAL CHARTER SCHOOLS, CYBER CHARTER SCHOOLS [AND],
6 ASSOCIATED NONPROFIT FOUNDATIONS AND ASSOCIATED NONPROFIT
7 CORPORATIONS THAT FILED AN APPEAL FROM AN ASSESSMENT, AS
8 PROVIDED IN ARTICLE V OF THE GENERAL COUNTY ASSESSMENT LAW,
9 PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION AND UNTIL SUCH
10 TIME AS A FINAL ORDER HAS BEEN ENTERED.

11 (4) FOR PURPOSES OF THIS SUBSECTION, "LOCAL TAXING
12 AUTHORITY" SHALL INCLUDE, BUT NOT BE LIMITED TO, A COUNTY, CITY,
13 BOROUGH, INCORPORATED TOWN, TOWNSHIP OR SCHOOL DISTRICT.

14 (F) (1) ALCOHOLIC BEVERAGES SHALL NOT BE AVAILABLE FOR
15 CONSUMPTION, PURCHASE OR SALE IN ANY CHARTER SCHOOL ENTITY
16 FACILITY.

17 (2) IF, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL CHARTER
18 SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS REASONABLY BELIEVES
19 THAT ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
20 CONSUMPTION, PURCHASE OR SALE IN THE CHARTER SCHOOL OR REGIONAL
21 CHARTER SCHOOL FACILITY, THE LOCAL BOARD OF SCHOOL DIRECTORS
22 SHALL NOTIFY THE DEPARTMENT.

23 (3) IF ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
24 CONSUMPTION, PURCHASE OR SALE IN A CHARTER SCHOOL ENTITY
25 FACILITY, THE SECRETARY SHALL ORDER THE FOLLOWING FORFEITURES
26 AGAINST THE CHARTER SCHOOL ENTITY:

27 (I) A FINE OF ONE THOUSAND DOLLARS (\$1,000) FOR THE FIRST
28 VIOLATION.

29 (II) A FINE OF FIVE THOUSAND DOLLARS (\$5,000) FOR THE SECOND
30 OR SUBSEQUENT VIOLATION.

1 (4) THE CHARTER SCHOOL ENTITY MAY APPEAL THE ORDER OF THE
2 SECRETARY UNDER 2 PA.C.S. CHS. 5 (RELATING TO PRACTICE AND
3 PROCEDURE) AND 7 (RELATING TO JUDICIAL REVIEW).

4 SECTION 15. SECTION 1723-A(A) AND (D) OF THE ACT, AMENDED
5 JUNE 26, 1999 (P.L.394, NO.36) AND JULY 9, 2008 (P.L.846,
6 NO.61), ARE AMENDED TO READ:

7 SECTION 1723-A. ENROLLMENT.--(A) ALL RESIDENT CHILDREN IN
8 THIS COMMONWEALTH QUALIFY FOR ADMISSION TO A CHARTER SCHOOL
9 ENTITY WITHIN THE PROVISIONS OF SUBSECTION (B). IF MORE STUDENTS
10 APPLY TO THE CHARTER SCHOOL ENTITY THAN THE NUMBER OF ATTENDANCE
11 SLOTS AVAILABLE IN THE SCHOOL, THEN STUDENTS MUST BE SELECTED ON
12 A RANDOM BASIS FROM A POOL OF QUALIFIED APPLICANTS MEETING THE
13 ESTABLISHED ELIGIBILITY CRITERIA AND SUBMITTING AN APPLICATION
14 BY THE DEADLINE ESTABLISHED BY THE CHARTER SCHOOL ENTITY, EXCEPT
15 THAT THE CHARTER SCHOOL ENTITY MAY GIVE PREFERENCE IN ENROLLMENT
16 TO A CHILD OF A PARENT WHO HAS ACTIVELY PARTICIPATED IN THE
17 DEVELOPMENT OF THE CHARTER SCHOOL [AND] ENTITY, TO SIBLINGS OF
18 STUDENTS PRESENTLY ENROLLED IN THE CHARTER SCHOOL ENTITY AND TO
19 SIBLINGS OF STUDENTS SELECTED FOR ENROLLMENT DURING THE LOTTERY
20 PROCESS. FIRST PREFERENCE SHALL BE GIVEN TO STUDENTS WHO RESIDE
21 IN THE DISTRICT OR DISTRICTS IN WHICH THE CHARTER SCHOOL ENTITY
22 IS PHYSICALLY LOCATED.

23 * * *

24 (D) (1) ENROLLMENT OF STUDENTS IN A CHARTER SCHOOL,
25 REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL SHALL NOT BE
26 SUBJECT TO A CAP OR OTHERWISE LIMITED BY ANY PAST OR FUTURE
27 ACTION OF A BOARD OF SCHOOL DIRECTORS, A BOARD OF CONTROL
28 ESTABLISHED UNDER ARTICLE XVII-B, A SPECIAL BOARD OF CONTROL
29 ESTABLISHED UNDER SECTION 692 OR ANY OTHER GOVERNING AUTHORITY[,
30 UNLESS AGREED TO BY THE CHARTER SCHOOL OR CYBER CHARTER SCHOOL

1 AS PART OF A WRITTEN CHARTER PURSUANT TO SECTION 1720-A].

2 (2) THE PROVISIONS OF THIS SUBSECTION SHALL APPLY TO A
3 CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL
4 REGARDLESS OF WHETHER THE CHARTER WAS APPROVED PRIOR TO OR IS
5 APPROVED SUBSEQUENT TO THE EFFECTIVE DATE OF THIS SUBSECTION.

6 SECTION 16. SECTION 1725-A OF THE ACT, AMENDED OR ADDED JUNE
7 19, 1997 (P.L.225, NO.22), JUNE 22, 2001 (P.L.530, NO.35) AND
8 JUNE 29, 2002 (P.L.524, NO.88), IS AMENDED TO READ:

9 SECTION 1725-A. FUNDING FOR CHARTER [SCHOOLS] SCHOOL
10 ENTITIES.-- (A) [FUNDING FOR A CHARTER SCHOOL SHALL BE PROVIDED
11 IN THE FOLLOWING MANNER:

12 (1) THERE SHALL BE NO TUITION CHARGE FOR A RESIDENT OR
13 NONRESIDENT STUDENT ATTENDING A CHARTER SCHOOL.

14 (2) FOR NON-SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
15 SHALL RECEIVE FOR EACH STUDENT ENROLLED NO LESS THAN THE
16 BUDGETED TOTAL EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE
17 PRIOR SCHOOL YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE
18 BUDGETED EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR NONPUBLIC
19 SCHOOL PROGRAMS; ADULT EDUCATION PROGRAMS; COMMUNITY/JUNIOR
20 COLLEGE PROGRAMS; STUDENT TRANSPORTATION SERVICES; FOR SPECIAL
21 EDUCATION PROGRAMS; FACILITIES ACQUISITION, CONSTRUCTION AND
22 IMPROVEMENT SERVICES; AND OTHER FINANCING USES, INCLUDING DEBT
23 SERVICE AND FUND TRANSFERS AS PROVIDED IN THE MANUAL OF
24 ACCOUNTING AND RELATED FINANCIAL PROCEDURES FOR PENNSYLVANIA
25 SCHOOL SYSTEMS ESTABLISHED BY THE DEPARTMENT. THIS AMOUNT SHALL
26 BE PAID BY THE DISTRICT OF RESIDENCE OF EACH STUDENT.

27 (3) FOR SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL SHALL
28 RECEIVE FOR EACH STUDENT ENROLLED THE SAME FUNDING AS FOR EACH
29 NON-SPECIAL EDUCATION STUDENT AS PROVIDED IN CLAUSE (2), PLUS AN
30 ADDITIONAL AMOUNT DETERMINED BY DIVIDING THE DISTRICT OF

1 RESIDENCE'S TOTAL SPECIAL EDUCATION EXPENDITURE BY THE PRODUCT
2 OF MULTIPLYING THE COMBINED PERCENTAGE OF SECTION 2509.5(K)
3 TIMES THE DISTRICT OF RESIDENCE'S TOTAL AVERAGE DAILY MEMBERSHIP
4 FOR THE PRIOR SCHOOL YEAR. THIS AMOUNT SHALL BE PAID BY THE
5 DISTRICT OF RESIDENCE OF EACH STUDENT.

6 (4) A CHARTER SCHOOL MAY REQUEST THE INTERMEDIATE UNIT IN
7 WHICH THE CHARTER SCHOOL IS LOCATED TO PROVIDE SERVICES TO
8 ASSIST THE CHARTER SCHOOL TO ADDRESS THE SPECIFIC NEEDS OF
9 EXCEPTIONAL STUDENTS. THE INTERMEDIATE UNIT SHALL ASSIST THE
10 CHARTER SCHOOL AND BILL THE CHARTER SCHOOL FOR THE SERVICES. THE
11 INTERMEDIATE UNIT MAY NOT CHARGE THE CHARTER SCHOOL MORE FOR ANY
12 SERVICE THAN IT CHARGES THE CONSTITUENT DISTRICTS OF THE
13 INTERMEDIATE UNIT.

14 (5) PAYMENTS SHALL BE MADE TO THE CHARTER SCHOOL IN TWELVE
15 (12) EQUAL MONTHLY PAYMENTS, BY THE FIFTH DAY OF EACH MONTH,
16 WITHIN THE OPERATING SCHOOL YEAR. A STUDENT ENROLLED IN A
17 CHARTER SCHOOL SHALL BE INCLUDED IN THE AVERAGE DAILY MEMBERSHIP
18 OF THE STUDENT'S DISTRICT OF RESIDENCE FOR THE PURPOSE OF
19 PROVIDING BASIC EDUCATION FUNDING PAYMENTS AND SPECIAL EDUCATION
20 FUNDING PURSUANT TO ARTICLE XXV. IF A SCHOOL DISTRICT FAILS TO
21 MAKE A PAYMENT TO A CHARTER SCHOOL AS PRESCRIBED IN THIS CLAUSE,
22 THE SECRETARY SHALL DEDUCT THE ESTIMATED AMOUNT, AS DOCUMENTED
23 BY THE CHARTER SCHOOL, FROM ANY AND ALL STATE PAYMENTS MADE TO
24 THE DISTRICT AFTER RECEIPT OF DOCUMENTATION FROM THE CHARTER
25 SCHOOL.

26 (6) WITHIN THIRTY (30) DAYS AFTER THE SECRETARY MAKES THE
27 DEDUCTION DESCRIBED IN CLAUSE (5), A SCHOOL DISTRICT MAY NOTIFY
28 THE SECRETARY THAT THE DEDUCTION MADE FROM STATE PAYMENTS TO THE
29 DISTRICT UNDER THIS SUBSECTION IS INACCURATE. THE SECRETARY
30 SHALL PROVIDE THE SCHOOL DISTRICT WITH AN OPPORTUNITY TO BE

1 HEARD CONCERNING WHETHER THE CHARTER SCHOOL DOCUMENTED THAT ITS
2 STUDENTS WERE ENROLLED IN THE CHARTER SCHOOL, THE PERIOD OF TIME
3 DURING WHICH EACH STUDENT WAS ENROLLED, THE SCHOOL DISTRICT OF
4 RESIDENCE OF EACH STUDENT AND WHETHER THE AMOUNTS DEDUCTED FROM
5 THE SCHOOL DISTRICT WERE ACCURATE.

6 (B) THE COMMONWEALTH SHALL PROVIDE TEMPORARY FINANCIAL
7 ASSISTANCE TO A SCHOOL DISTRICT DUE TO THE ENROLLMENT OF
8 STUDENTS IN A CHARTER SCHOOL WHO ATTENDED A NONPUBLIC SCHOOL IN
9 THE PRIOR SCHOOL YEAR IN ORDER TO OFFSET THE ADDITIONAL COSTS
10 DIRECTLY RELATED TO THE ENROLLMENT OF THOSE STUDENTS IN A PUBLIC
11 CHARTER SCHOOL. THE COMMONWEALTH SHALL PAY THE SCHOOL DISTRICT
12 OF RESIDENCE OF A STUDENT ENROLLED IN A NONPUBLIC SCHOOL IN THE
13 PRIOR SCHOOL YEAR WHO IS ATTENDING A CHARTER SCHOOL AN AMOUNT
14 EQUAL TO THE SCHOOL DISTRICT OF RESIDENCE'S BASIC EDUCATION
15 SUBSIDY FOR THE CURRENT SCHOOL YEAR DIVIDED BY THE DISTRICT'S
16 AVERAGE DAILY MEMBERSHIP FOR THE PRIOR SCHOOL YEAR. THIS PAYMENT
17 SHALL OCCUR ONLY FOR THE FIRST YEAR OF THE ATTENDANCE OF THE
18 STUDENT IN A CHARTER SCHOOL, STARTING WITH SCHOOL YEAR
19 1997-1998. TOTAL PAYMENTS OF TEMPORARY FINANCIAL ASSISTANCE TO
20 SCHOOL DISTRICTS ON BEHALF OF A STUDENT ENROLLING IN A CHARTER
21 SCHOOL WHO ATTENDED A NONPUBLIC SCHOOL IN THE PRIOR SCHOOL YEAR
22 SHALL BE LIMITED TO FUNDS APPROPRIATED FOR THIS PROGRAM IN A
23 FISCAL YEAR. IF THE TOTAL OF THE AMOUNT NEEDED FOR ALL STUDENTS
24 ENROLLED IN A NONPUBLIC SCHOOL IN THE PRIOR SCHOOL YEAR WHO
25 ENROLL IN A CHARTER SCHOOL EXCEEDS THE APPROPRIATION FOR THE
26 TEMPORARY FINANCIAL ASSISTANCE PROGRAM, THE AMOUNT PAID TO A
27 SCHOOL DISTRICT FOR EACH QUALIFYING STUDENT SHALL BE PRO RATA
28 REDUCED. RECEIPT OF FUNDS UNDER THIS SUBSECTION SHALL NOT
29 PRECLUDE A SCHOOL DISTRICT FROM APPLYING FOR A GRANT UNDER
30 SUBSECTION (C).

1 (C) THE COMMONWEALTH SHALL CREATE A GRANT PROGRAM TO PROVIDE
2 TEMPORARY TRANSITIONAL FUNDING TO A SCHOOL DISTRICT DUE TO THE
3 BUDGETARY IMPACT RELATING TO ANY STUDENT'S FIRST-YEAR ATTENDANCE
4 AT A CHARTER SCHOOL. THE DEPARTMENT SHALL DEVELOP CRITERIA WHICH
5 SHALL INCLUDE, BUT NOT BE LIMITED TO, THE OVERALL FISCAL IMPACT
6 ON THE BUDGET OF THE SCHOOL DISTRICT RESULTING FROM STUDENTS OF
7 A SCHOOL DISTRICT ATTENDING A CHARTER SCHOOL. THE CRITERIA SHALL
8 BE PUBLISHED IN THE PENNSYLVANIA BULLETIN. THIS SUBSECTION SHALL
9 NOT APPLY TO A PUBLIC SCHOOL CONVERTED TO A CHARTER SCHOOL UNDER
10 SECTION 1717-A(B). GRANTS SHALL BE LIMITED TO FUNDS APPROPRIATED
11 FOR THIS PURPOSE.

12 (D) IT SHALL BE LAWFUL FOR ANY CHARTER SCHOOL TO RECEIVE,
13 HOLD, MANAGE AND USE, ABSOLUTELY OR IN TRUST, ANY DEVISE,
14 BEQUEST, GRANT, ENDOWMENT, GIFT OR DONATION OF ANY PROPERTY,
15 REAL OR PERSONAL AND/OR MIXED, WHICH SHALL BE MADE TO THE
16 CHARTER SCHOOL FOR ANY OF THE PURPOSES OF THIS ARTICLE.

17 (E) IT SHALL BE UNLAWFUL FOR ANY TRUSTEE OF A CHARTER SCHOOL
18 OR ANY BOARD OF TRUSTEES OF A CHARTER SCHOOL OR ANY OTHER PERSON
19 AFFILIATED IN ANY WAY WITH A CHARTER SCHOOL TO DEMAND OR
20 REQUEST, DIRECTLY OR INDIRECTLY, ANY GIFT, DONATION OR
21 CONTRIBUTION OF ANY KIND FROM ANY PARENT, TEACHER, EMPLOYE OR
22 ANY OTHER PERSON AFFILIATED WITH THE CHARTER SCHOOL AS A
23 CONDITION FOR EMPLOYMENT OR ENROLLMENT AND/OR CONTINUED
24 ATTENDANCE OF ANY PUPIL. ANY DONATION, GIFT OR CONTRIBUTION
25 RECEIVED BY A CHARTER SCHOOL SHALL BE GIVEN FREELY AND
26 VOLUNTARILY.] FUNDING FOR A CHARTER SCHOOL ENTITY SHALL BE
27 PROVIDED IN THE FOLLOWING MANNER AND SHALL NOT BE IN VIOLATION
28 OF ANY APPLICABLE FEDERAL OR STATE LAW, REGULATION OR AGREEMENT:

29 (1) THERE SHALL BE NO TUITION CHARGE FOR A RESIDENT OR
30 NONRESIDENT STUDENT ATTENDING A CHARTER SCHOOL ENTITY.

1 (2) THE FOLLOWING APPLY:

2 (I) FOR NONSPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
3 ENTITY SHALL RECEIVE FOR EACH STUDENT ENROLLED NO LESS THAN THE
4 BUDGETED TOTAL EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE
5 PRIOR SCHOOL YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE
6 BUDGETED EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR ALL OF
7 THE FOLLOWING:

8 (A) NONPUBLIC SCHOOL PROGRAMS.

9 (B) ADULT EDUCATION PROGRAMS.

10 (C) COMMUNITY AND JUNIOR COLLEGE PROGRAMS.

11 (D) STUDENT TRANSPORTATION SERVICES.

12 (E) SPECIAL EDUCATION PROGRAMS.

13 (F) FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT
14 SERVICES.

15 (G) OTHER FINANCING USES, INCLUDING DEBT SERVICE AND FUND
16 TRANSFERS AS PROVIDED IN THE MANUAL OF ACCOUNTING AND RELATED
17 FINANCIAL PROCEDURES FOR PENNSYLVANIA SCHOOL SYSTEMS ESTABLISHED
18 BY THE DEPARTMENT.

19 (I.1) THE AMOUNT UNDER SUBCLAUSE (I) SHALL BE CALCULATED BY
20 EACH SCHOOL DISTRICT ON A FORM PRESCRIBED BY THE SECRETARY IN
21 ACCORDANCE WITH THIS SECTION. THE SECRETARY, UPON RECEIPT OF A
22 DISTRICT'S CALCULATION, SHALL REVIEW THE DISTRICT'S CALCULATION
23 AND MAY REQUEST SUPPORTING DOCUMENTATION FROM THE DISTRICT
24 REGARDING ITS CALCULATION. IF THE SECRETARY FINDS AN ERROR OR
25 DISCREPANCY IN A DISTRICT'S CALCULATION, THE SECRETARY SHALL
26 REQUIRE THE DISTRICT TO CORRECT THE CALCULATION AND REQUIRE THE
27 SCHOOL DISTRICT TO NOTIFY AFFECTED CHARTER SCHOOL ENTITIES.

28 (II) THE FOLLOWING APPLY:

29 (A) THE AMOUNT UNDER SUBCLAUSE (I) SHALL BE PAID BY THE
30 SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT BY DEDUCTION AND

1 TRANSFER FROM ALL STATE PAYMENTS DUE TO THE DISTRICT AS PROVIDED
2 UNDER CLAUSE (5).

3 (B) IF A CHARTER SCHOOL ENTITY DISPUTES THE ACCURACY OF A
4 DISTRICT'S CALCULATION UNDER THIS CLAUSE, THE CHARTER SCHOOL
5 ENTITY SHALL FILE A NOTICE OF THE DISPUTE WITH THE SECRETARY,
6 WHO SHALL HOLD A HEARING TO DETERMINE THE ACCURACY OF THE
7 DISTRICT'S CALCULATION WITHIN THIRTY (30) DAYS OF THE NOTICE.

8 (C) THE SECRETARY SHALL DETERMINE THE ACCURACY OF THE
9 DISTRICT'S CALCULATION WITHIN THIRTY (30) DAYS OF THE HEARING.

10 (D) THE DISTRICT SHALL BEAR THE BURDEN OF PRODUCTION AND
11 PROOF WITH RESPECT TO ITS CALCULATION UNDER THIS CLAUSE.

12 (E) THE DISTRICT SHALL BE LIABLE FOR THE REASONABLE LEGAL
13 FEES INCURRED BY A CHARTER SCHOOL ENTITY IF THE CHARTER SCHOOL
14 ENTITY IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A HEARING
15 UNDER THIS SECTION. THE CHARTER SCHOOL ENTITY SHALL BE LIABLE
16 FOR THE REASONABLE LEGAL FEES INCURRED BY THE DISTRICT IF THE
17 DISTRICT IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A HEARING
18 UNDER THIS SECTION.

19 (F) ALL DECISIONS OF THE SECRETARY UNDER THIS CLAUSE SHALL
20 BE SUBJECT TO APPELLATE REVIEW BY COMMONWEALTH COURT.

21 (3) THE FOLLOWING APPLY:

22 (I) FOR SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
23 ENTITY SHALL RECEIVE FOR EACH STUDENT ENROLLED THE SAME FUNDING
24 AS FOR EACH NONSPECIAL EDUCATION STUDENT AS PROVIDED UNDER
25 CLAUSE (2), PLUS AN ADDITIONAL AMOUNT DETERMINED BY DIVIDING THE
26 TOTAL SPECIAL EDUCATION EXPENDITURE OF THE SCHOOL DISTRICT OF
27 RESIDENCE BY THE PRODUCT OF:

28 (A) THE COMBINED PERCENTAGE OF SECTION 2509.5(K) APPLICABLE
29 TO THE SCHOOL YEAR; AND

30 (B) THE TOTAL AVERAGE DAILY MEMBERSHIP OF THE SCHOOL

1 DISTRICT OF RESIDENCE FOR THE PRIOR SCHOOL YEAR.

2 (II) THE AMOUNT UNDER SUBCLAUSE (I) SHALL BE PAID BY THE
3 SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT BY DEDUCTION AND
4 TRANSFER FROM ALL STATE PAYMENTS DUE TO THE DISTRICT AS PROVIDED
5 UNDER CLAUSE (5).

6 (III) IF A CHARTER SCHOOL ENTITY DISPUTES THE ACCURACY OF A
7 DISTRICT'S CALCULATION UNDER THIS CLAUSE, THE CHARTER SCHOOL
8 ENTITY SHALL FILE A NOTICE OF THE DISPUTE WITH THE SECRETARY,
9 WHO SHALL HOLD A HEARING TO DETERMINE THE ACCURACY OF THE
10 DISTRICT'S CALCULATION WITHIN THIRTY (30) DAYS OF THE NOTICE.

11 (IV) THE SECRETARY SHALL DETERMINE THE ACCURACY OF THE
12 DISTRICT'S CALCULATION WITHIN THIRTY (30) DAYS OF THE HEARING.

13 (V) THE DISTRICT SHALL BEAR THE BURDEN OF PRODUCTION AND
14 PROOF WITH RESPECT TO ITS CALCULATION UNDER THIS CLAUSE.

15 (VI) THE DISTRICT SHALL BE LIABLE FOR THE REASONABLE LEGAL
16 FEES INCURRED BY A CHARTER SCHOOL ENTITY IF THE CHARTER SCHOOL
17 ENTITY IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A HEARING
18 UNDER THIS SECTION. THE CHARTER SCHOOL ENTITY SHALL BE LIABLE
19 FOR THE REASONABLE LEGAL FEES INCURRED BY THE SCHOOL DISTRICT IF
20 THE DISTRICT IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A
21 HEARING UNDER THIS SECTION.

22 (VII) ALL DECISIONS OF THE SECRETARY UNDER THIS SECTION
23 SHALL BE SUBJECT TO APPELLATE REVIEW BY COMMONWEALTH COURT.

24 (4) A CHARTER SCHOOL ENTITY MAY REQUEST THE INTERMEDIATE
25 UNIT OR SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL ENTITY IS
26 LOCATED TO PROVIDE SERVICES TO ASSIST THE CHARTER SCHOOL ENTITY
27 TO ADDRESS THE SPECIFIC NEEDS OF NONSPECIAL EDUCATION AND
28 SPECIAL EDUCATION STUDENTS. THE INTERMEDIATE UNIT OR SCHOOL
29 DISTRICT SHALL ASSIST THE CHARTER SCHOOL ENTITY AND BILL THE
30 CHARTER SCHOOL ENTITY FOR THE SERVICES. THE INTERMEDIATE UNIT

1 MAY NOT CHARGE THE CHARTER SCHOOL ENTITY MORE FOR ANY SERVICE
2 THAN IT CHARGES THE CONSTITUENT DISTRICTS OF THE INTERMEDIATE
3 UNIT. NOTHING UNDER THIS CLAUSE SHALL PRECLUDE AN INTERMEDIATE
4 UNIT OR SCHOOL DISTRICT FROM CONTRACTING WITH A CHARTER SCHOOL
5 ENTITY TO PROVIDE THE INTERMEDIATE UNIT OR SCHOOL DISTRICT WITH
6 SERVICES TO ASSIST THE INTERMEDIATE UNIT OR SCHOOL DISTRICT TO
7 ADDRESS SPECIFIC NEEDS OF NONSPECIAL EDUCATION AND SPECIAL
8 EDUCATION STUDENTS.

9 (5) THE FOLLOWING APPLY:

10 (I) PAYMENTS SHALL BE MADE TO THE CHARTER SCHOOL ENTITY IN
11 TWELVE (12) EQUAL MONTHLY PAYMENTS, ACCORDING TO THE ESTABLISHED
12 MONTHLY UNIPAY SCHEDULE WITHIN THE OPERATING SCHOOL YEAR OR ANY
13 SUBSEQUENT SCHOOL YEAR.

14 (II) EXCEPT AS PROVIDED FOR IN SUBCLAUSE (V), PAYMENTS SHALL
15 BE MADE DIRECTLY BY THE SECRETARY DEDUCTING AND PAYING TO THE
16 CHARTER SCHOOL ENTITY THE ESTIMATED AMOUNT, AS DOCUMENTED BY THE
17 CHARTER SCHOOL ENTITY, FROM:

18 (A) ALL STATE PAYMENTS DUE TO THE SCHOOL DISTRICT OF
19 RESIDENCE; OR

20 (B) IF NO PAYMENTS ARE DUE TO THE SCHOOL DISTRICT OF
21 RESIDENCE, FROM ALL STATE PAYMENTS REASONABLY EXPECTED TO BE DUE
22 IN THE NEXT ESTABLISHED MONTHLY UNIPAY SCHEDULE, AFTER RECEIPT
23 OF DOCUMENTATION FROM THE CHARTER SCHOOL ENTITY AS TO ITS
24 ENROLLMENT.

25 (III) THE SECRETARY'S OBLIGATION TO MAKE PAYMENTS UNDER THIS
26 SECTION IS MANDATORY AND MINISTERIAL, EXCEPT THAT PAYMENTS MADE
27 PURSUANT TO THIS SECTION SHALL NOT BE GIVEN PRIORITY OVER
28 PAYMENTS REQUIRED PURSUANT TO SECTIONS 633 AND 785 AND 53
29 PA.C.S. § 8125(B) (RELATING TO SECURITY FOR TAX ANTICIPATION
30 NOTES AND SINKING FUND), OR AN AGREEMENT PURSUANT TO WHICH THE

1 COMMONWEALTH IS REQUIRED TO MAKE PAYMENT TO A HOLDER OF DEBT
2 ISSUED BY OR ON BEHALF OF A SCHOOL ENTITY. IF PAYMENTS REQUIRED
3 UNDER SECTIONS 633 AND 785 AND 53 PA.C.S. § 8125(B) PRECLUDE THE
4 TIMELY PAYMENT OF FUNDS TO A CHARTER SCHOOL ENTITY UNDER SECTION
5 1725-A OR WILL CAUSE THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
6 ENTITY TO FAIL TO PAY OR PROVIDE FOR PAYMENT UNDER THIS
7 SUBSECTION, NOTHING SHALL PRECLUDE THE SECRETARY FROM
8 WITHHOLDING FUNDS FROM ANY AND ALL STATE PAYMENTS MADE TO THE
9 DISTRICT FOR THE OPERATING SCHOOL YEAR OR FOR ANY SUBSEQUENT
10 OPERATING SCHOOL YEAR.

11 (IV) IF THERE ARE INSUFFICIENT STATE PAYMENTS DUE TO A
12 SCHOOL DISTRICT IN THE ESTABLISHED MONTHLY UNIPAY SCHEDULE TO
13 COVER ALL CHARTER SCHOOL ENTITY DEDUCTIONS AND TRANSFERS, THE
14 SCHOOL DISTRICT SHALL BE RESPONSIBLE FOR PAYING THE UNPAID
15 BALANCE DIRECTLY TO THE CHARTER SCHOOL ENTITY NOT MORE THAN
16 SEVEN (7) DAYS FOLLOWING THE ESTABLISHED MONTHLY UNIPAY
17 SCHEDULE.

18 (V) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY MAY
19 ELECT ON AN ANNUAL BASIS TO BE PAID DIRECTLY FROM THE SCHOOL
20 DISTRICT OF RESIDENCE. ANY BOARD OF TRUSTEES OF A CHARTER SCHOOL
21 ENTITY THAT ELECTS TO BE PAID DIRECTLY BY THE SCHOOL DISTRICT OF
22 RESIDENCE SHALL NOTIFY THE DEPARTMENT IN ACCORDANCE WITH THE
23 TIMELINES ESTABLISHED IN THE DEPARTMENT GUIDELINES. THE SCHOOL
24 DISTRICT OF RESIDENCE SHALL PROVIDE FOR PAYMENT TO THE CHARTER
25 SCHOOL ENTITY AS FOLLOWS:

26 (A) PAYMENTS SHALL BE MADE TO THE CHARTER SCHOOL ENTITY IN
27 TWELVE (12) EQUAL MONTHLY PAYMENTS, ACCORDING TO THE ESTABLISHED
28 MONTHLY UNIPAY SCHEDULE, WITHIN THE OPERATING SCHOOL YEAR.

29 (B) PAYMENTS SHALL BE MADE DIRECTLY BY THE SCHOOL DISTRICT
30 OF RESIDENCE PAYING TO THE CHARTER SCHOOL ENTITY THE ESTIMATED

1 AMOUNT, AS DOCUMENTED BY THE CHARTER SCHOOL ENTITY, AFTER
2 RECEIPT OF DOCUMENTATION FROM THE CHARTER SCHOOL ENTITY AS TO
3 ITS ENROLLMENT.

4 (C) IF A SCHOOL DISTRICT OF RESIDENCE FAILS TO MAKE A
5 PAYMENT TO A CHARTER SCHOOL ENTITY AS PRESCRIBED IN THIS CLAUSE,
6 THE SECRETARY SHALL DEDUCT THE ESTIMATED AMOUNT, AS DOCUMENTED
7 BY THE CHARTER SCHOOL ENTITY, FROM ANY AND ALL STATE PAYMENTS
8 MADE TO THE SCHOOL DISTRICT OF RESIDENCE FOR THE OPERATING
9 SCHOOL YEAR OR ANY SUBSEQUENT SCHOOL YEAR AFTER RECEIPT OF
10 DOCUMENTATION FROM THE CHARTER SCHOOL ENTITY.

11 (VI) A STUDENT ENROLLED IN A CHARTER SCHOOL ENTITY SHALL BE
12 INCLUDED IN THE AVERAGE DAILY MEMBERSHIP OF THE STUDENT'S SCHOOL
13 DISTRICT OF RESIDENCE FOR THE PURPOSE OF PROVIDING BASIC
14 EDUCATION FUNDING PAYMENTS AND SPECIAL EDUCATION FUNDING UNDER
15 ARTICLE XXV.

16 (6) THE FOLLOWING APPLY:

17 (I) WITHIN THIRTY (30) DAYS AFTER THE PAYMENT IS MADE TO THE
18 CHARTER SCHOOL ENTITY AS DESCRIBED UNDER CLAUSE (5), A SCHOOL
19 DISTRICT MAY NOTIFY THE SECRETARY THAT THE ESTIMATED AMOUNT, AS
20 DOCUMENTED BY THE CHARTER SCHOOL ENTITY, IS INACCURATE.

21 (II) THE SECRETARY SHALL PROVIDE THE SCHOOL DISTRICT WITH AN
22 OPPORTUNITY TO BE HEARD CONCERNING WHETHER THE CHARTER SCHOOL
23 ENTITY DOCUMENTED THAT ITS STUDENTS WERE ENROLLED IN THE CHARTER
24 SCHOOL ENTITY, THE PERIOD OF TIME DURING WHICH EACH STUDENT WAS
25 ENROLLED, THE SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT AND
26 WHETHER THE AMOUNTS DEDUCTED FROM OR PAID BY THE SCHOOL DISTRICT
27 WERE ACCURATE.

28 (III) THE BURDEN OF PROOF AND PRODUCTION AT THE HEARING
29 SHALL BE ON THE SCHOOL DISTRICT. A HEARING SHALL NOT BE HELD
30 BEFORE THE SECRETARY DEDUCTS AND TRANSFERS TO THE CHARTER SCHOOL

1 ENTITY THE AMOUNT ESTIMATED BY THE CHARTER SCHOOL ENTITY.

2 (IV) THE DISTRICT SHALL BE LIABLE FOR THE REASONABLE LEGAL
3 FEES INCURRED BY A CHARTER SCHOOL ENTITY IF THE CHARTER SCHOOL
4 ENTITY IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A HEARING
5 UNDER THIS SECTION. THE CHARTER SCHOOL ENTITY SHALL BE LIABLE
6 FOR THE REASONABLE LEGAL FEES INCURRED BY THE DISTRICT IF THE
7 DISTRICT IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A HEARING
8 UNDER THIS SECTION.

9 (V) ALL DECISIONS OF THE SECRETARY UNDER THIS SECTION SHALL
10 BE SUBJECT TO APPELLATE REVIEW BY COMMONWEALTH COURT.

11 (VI) SUPERSEDEAS SHALL NOT BE GRANTED TO THE SECRETARY OR
12 ANY PARTY TO THE PROCEEDING ON AN APPEAL FROM THE DECISION OF
13 THE SECRETARY UNDER THIS SECTION; AND, ABSENT A COURT ORDER, THE
14 SECRETARY SHALL NOT HOLD ANY PAYMENTS IN ESCROW.

15 (B) IT SHALL BE LAWFUL FOR ANY CHARTER SCHOOL ENTITY TO
16 RECEIVE, HOLD, MANAGE AND USE, ABSOLUTELY OR IN TRUST, ANY
17 DEVISE, BEQUEST, GRANT, ENDOWMENT, GIFT OR DONATION OF ANY
18 PROPERTY, REAL OR PERSONAL AND MIXED, WHICH SHALL BE MADE TO THE
19 CHARTER SCHOOL ENTITY FOR ANY PURPOSE OF THIS ARTICLE.

20 (C) IT SHALL BE UNLAWFUL FOR ANY TRUSTEE OF A CHARTER SCHOOL
21 ENTITY OR ANY BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY OR
22 ANY OTHER PERSON AFFILIATED IN ANY WAY WITH A CHARTER SCHOOL
23 ENTITY TO DEMAND OR REQUEST, DIRECTLY OR INDIRECTLY, ANY GIFT,
24 DONATION OR CONTRIBUTION OF ANY KIND FROM ANY PARENT, TEACHER,
25 EMPLOYE OR ANY OTHER PERSON AFFILIATED WITH THE CHARTER SCHOOL
26 ENTITY AS A CONDITION FOR EMPLOYMENT OR ENROLLMENT AND CONTINUED
27 ATTENDANCE OF ANY STUDENT. ANY DONATION, GIFT OR CONTRIBUTION
28 RECEIVED BY A CHARTER SCHOOL ENTITY MUST BE GIVEN FREELY AND
29 VOLUNTARILY.

30 (D) A CYBER CHARTER SCHOOL MAY NOT PROVIDE DISCOUNTS TO A

1 SCHOOL DISTRICT OR WAIVE PAYMENTS UNDER THIS SECTION FOR ANY
2 STUDENT.

3 (E) FOR THE 2012-2013 SCHOOL YEAR, AND EACH YEAR THEREAFTER,
4 A CLAIM FILED BY EITHER A SCHOOL DISTRICT OR A CHARTER SCHOOL
5 ENTITY MAY RELATE TO THE OPERATING SCHOOL YEAR IMMEDIATELY
6 PRECEDING THE CURRENT OPERATING SCHOOL YEAR, HOWEVER,
7 NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, IF CHALLENGED,
8 CLAIMS RELATED TO THE OPERATING SCHOOL YEAR IMMEDIATELY
9 PRECEDING THE CURRENT OPERATING SCHOOL YEAR SHALL PROCEED
10 THROUGH THE ADMINISTRATIVE HEARING PROCESS IN ACCORDANCE WITH 2
11 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE) PRIOR TO
12 THE SECRETARY WITHHOLDING OR PAYING ANY ESTIMATED AMOUNT DUE TO
13 EITHER THE SCHOOL DISTRICT OR THE CHARTER SCHOOL ENTITY.

14 (F) THE DEPARTMENT SHALL DEVELOP A TRANSITION PROCEDURE TO
15 BE ABLE TO RECOUP IN SUBSEQUENT FISCAL YEARS ANY PAYMENTS MADE
16 IN ERROR TO A CHARTER SCHOOL ENTITY AS A RESULT OF DIRECT
17 PAYMENT BY THE DEPARTMENT TO THE CHARTER SCHOOL ENTITY.

18 SECTION 17. SECTION 1728-A(A) OF THE ACT, ADDED JUNE 19,
19 1997 (P.L.225, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY
20 ADDING SUBSECTIONS TO READ:

21 SECTION 1728-A. ANNUAL REPORTS AND ASSESSMENTS.--(A) (1)
22 THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL ANNUALLY ASSESS
23 WHETHER EACH CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL IS
24 MEETING THE GOALS OF ITS CHARTER AND SHALL CONDUCT A
25 COMPREHENSIVE REVIEW PRIOR TO GRANTING A [FIVE (5)] TEN (10)
26 YEAR RENEWAL OF THE CHARTER. THE LOCAL BOARD OF SCHOOL DIRECTORS
27 SHALL HAVE ONGOING ACCESS TO THE RECORDS AND FACILITIES OF THE
28 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO ENSURE THAT THE
29 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL IS IN COMPLIANCE WITH
30 ITS CHARTER AND THIS ACT AND THAT REQUIREMENTS FOR TESTING,

1 CIVIL RIGHTS AND STUDENT HEALTH AND SAFETY ARE BEING MET.

2 (2) ONGOING ACCESS TO A CHARTER SCHOOL'S OR REGIONAL CHARTER
3 SCHOOL'S RECORDS SHALL MEAN THAT THE LOCAL BOARD OF SCHOOL
4 DIRECTORS SHALL HAVE ACCESS TO RECORDS SUCH AS FINANCIAL
5 REPORTS, FINANCIAL AUDITS, AGGREGATE STANDARDIZED TEST SCORES
6 WITHOUT STUDENT-IDENTIFYING INFORMATION AND TEACHER
7 CERTIFICATION AND PERSONNEL RECORDS.

8 (3) CHARTER SCHOOL ENTITIES SHALL COMPLY FULLY WITH THE
9 REQUIREMENTS OF THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF
10 1974 (PUBLIC LAW 90-247, 20 U.S.C. § 1232G) AND ASSOCIATED
11 REGULATIONS. NO PERSONALLY IDENTIFIABLE INFORMATION FROM
12 EDUCATION RECORDS SHALL BE PROVIDED BY THE CHARTER SCHOOL ENTITY
13 TO THE SCHOOL DISTRICT EXCEPT IN COMPLIANCE WITH THE FAMILY
14 EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974.

15 * * *

16 (D) A CHARTER SCHOOL ENTITY SHALL FORM AN INDEPENDENT AUDIT
17 COMMITTEE OF ITS BOARD OF TRUSTEES MEMBERS WHICH SHALL REVIEW AT
18 THE CLOSE OF EACH FISCAL YEAR A COMPLETE CERTIFIED AUDIT OF THE
19 OPERATIONS OF THE CHARTER SCHOOL ENTITY. THE AUDIT SHALL BE
20 CONDUCTED BY A QUALIFIED INDEPENDENT CERTIFIED PUBLIC
21 ACCOUNTANT. THE AUDIT SHALL BE CONDUCTED UNDER GENERALLY
22 ACCEPTED AUDIT STANDARDS OF THE GOVERNMENTAL ACCOUNTING
23 STANDARDS BOARD AND SHALL INCLUDE THE FOLLOWING:

24 (1) AN ENROLLMENT TEST TO VERIFY THE ACCURACY OF STUDENT
25 ENROLLMENT AND REPORTING TO THE STATE.

26 (2) FULL REVIEW OF EXPENSE REIMBURSEMENTS FOR BOARD OF
27 TRUSTEES MEMBERS AND ADMINISTRATORS, INCLUDING SAMPLING OF ALL
28 REIMBURSEMENTS.

29 (3) REVIEW OF INTERNAL CONTROLS, INCLUDING REVIEW OF
30 RECEIPTS AND DISBURSEMENTS.

1 (4) REVIEW OF ANNUAL FEDERAL AND STATE TAX FILINGS,
2 INCLUDING THE INTERNAL REVENUE SERVICE FORM 990, RETURN OF
3 ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED SCHEDULES
4 AND APPENDICES FOR THE CHARTER SCHOOL ENTITY AND CHARTER SCHOOL
5 FOUNDATION, IF APPLICABLE.

6 (5) REVIEW OF THE FINANCIAL STATEMENTS OF ANY CHARTER SCHOOL
7 FOUNDATION.

8 (6) REVIEW OF THE SELECTION AND ACCEPTANCE PROCESS OF ALL
9 CONTRACTS PUBLICLY BID PURSUANT TO SECTION 751.

10 (7) REVIEW OF ALL BOARD POLICIES AND PROCEDURES WITH REGARD
11 TO INTERNAL CONTROLS, CODE OF ETHICS, CONFLICTS OF INTEREST,
12 WHISTLE-BLOWER PROTECTIONS, COMPLAINTS FROM PARENTS OR THE
13 PUBLIC, COMPLIANCE WITH 65 PA.C.S. CH. 7 (RELATING TO OPEN
14 MEETINGS), FINANCES, BUDGETING, AUDITS, PUBLIC BIDDING AND
15 BONDING.

16 (E) THE CERTIFIED AUDIT UNDER SUBSECTION (D) AND THE ANNUAL
17 BUDGET UNDER SUBSECTION (G) ARE PUBLIC DOCUMENTS AND SHALL BE
18 MADE AVAILABLE ON THE SCHOOL DISTRICT'S PUBLICLY ACCESSIBLE
19 INTERNET WEBSITE AND THE CHARTER SCHOOL ENTITY'S PUBLICLY
20 ACCESSIBLE INTERNET WEBSITE, IF APPLICABLE.

21 (F) A CHARTER SCHOOL ENTITY MAY BE SUBJECT TO AN ANNUAL
22 AUDIT BY THE AUDITOR GENERAL, IN ADDITION TO ANY OTHER AUDITS
23 REQUIRED BY FEDERAL LAW OR THIS ARTICLE.

24 (G) A CHARTER SCHOOL ENTITY SHALL ANNUALLY PROVIDE THE
25 DEPARTMENT AND, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
26 CHARTER SCHOOL, SHALL ANNUALLY PROVIDE THE SCHOOL DISTRICT, WITH
27 A COPY OF THE ANNUAL BUDGET FOR THE OPERATION OF THE CHARTER
28 SCHOOL ENTITY THAT IDENTIFIES THE FOLLOWING:

29 (1) THE SOURCE OF FUNDING FOR ALL EXPENDITURES AS PART OF
30 ITS REPORTING UNDER SUBSECTION (A).

1 (2) WHERE FUNDING IS PROVIDED BY A CHARTER SCHOOL
2 FOUNDATION, THE AMOUNT OF FUNDS AND A DESCRIPTION OF THE USE OF
3 THE FUNDS.

4 (3) THE SALARIES OF ALL ADMINISTRATORS OF THE CHARTER SCHOOL
5 ENTITY.

6 (4) ALL EXPENDITURES TO AN EDUCATIONAL MANAGEMENT SERVICE
7 PROVIDER.

8 (H) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A
9 CHARTER SCHOOL ENTITY AND ANY AFFILIATED CHARTER SCHOOL
10 FOUNDATION SHALL MAKE COPIES OF ITS ANNUAL FEDERAL AND STATE TAX
11 FILINGS AVAILABLE UPON REQUEST AND ON THE FOUNDATION'S OR
12 CHARTER SCHOOL ENTITY'S PUBLICLY ACCESSIBLE INTERNET WEBSITE, IF
13 APPLICABLE, INCLUDING INTERNAL REVENUE SERVICE FORM 990, RETURN
14 OF ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED SCHEDULES
15 AND APPENDICES.

16 (2) THE CHARTER SCHOOL FOUNDATION SHALL ALSO MAKE COPIES OF
17 ITS ANNUAL BUDGET AVAILABLE UPON REQUEST AND ON THE FOUNDATION'S
18 OR THE CHARTER SCHOOL ENTITY'S PUBLICLY ACCESSIBLE INTERNET
19 WEBSITE WITHIN THIRTY (30) DAYS OF THE CLOSE OF THE FOUNDATION'S
20 FISCAL YEAR.

21 (3) THE ANNUAL BUDGET SHALL INCLUDE THE SALARIES OF ALL
22 EMPLOYES OF THE CHARTER SCHOOL FOUNDATION.

23 SECTION 18. SECTION 1729-A(A), (B) AND (C) OF THE ACT, ADDED
24 JUNE 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

25 SECTION 1729-A. CAUSES FOR NONRENEWAL OR TERMINATION.-- (A)
26 DURING THE TERM OF THE CHARTER OR AT THE END OF THE TERM OF THE
27 CHARTER, THE LOCAL BOARD OF SCHOOL DIRECTORS MAY CHOOSE TO
28 REVOKE OR NOT TO RENEW THE CHARTER BASED ON ANY OF THE
29 FOLLOWING:

30 (1) ONE OR MORE MATERIAL VIOLATIONS OF ANY OF THE

1 CONDITIONS, STANDARDS OR PROCEDURES CONTAINED IN THE WRITTEN
2 CHARTER SIGNED PURSUANT TO SECTION 1720-A.

3 (2) FAILURE TO MEET THE REQUIREMENTS FOR STUDENT PERFORMANCE
4 [SET FORTH IN 22 PA. CODE CH. 5 (RELATING TO CURRICULUM) OR
5 SUBSEQUENT REGULATIONS PROMULGATED TO REPLACE 22 PA. CODE CH. 5]
6 ON ASSESSMENTS OR FAILURE TO MEET ANY PERFORMANCE STANDARD SET
7 FORTH IN THE WRITTEN CHARTER SIGNED PURSUANT TO SECTION 1716-A.

8 (3) FAILURE TO MEET GENERALLY ACCEPTED STANDARDS OF FISCAL
9 MANAGEMENT OR AUDIT REQUIREMENTS.

10 (4) VIOLATION OF PROVISIONS OF THIS ARTICLE.

11 (5) VIOLATION OF ANY PROVISION OF LAW FROM WHICH THE CHARTER
12 SCHOOL ENTITY HAS NOT BEEN EXEMPTED, INCLUDING FEDERAL LAWS AND
13 REGULATIONS GOVERNING CHILDREN WITH DISABILITIES.

14 [(6) THE CHARTER SCHOOL HAS BEEN CONVICTED OF FRAUD.]

15 * * *

16 (B) [A MEMBER OF THE BOARD OF TRUSTEES WHO IS CONVICTED OF A
17 FELONY OR ANY CRIME INVOLVING MORAL TURPITUDE SHALL BE
18 IMMEDIATELY DISQUALIFIED FROM SERVING ON THE BOARD OF TRUSTEES.]
19 IF, AFTER A HEARING UNDER THIS SECTION, A LOCAL BOARD OF SCHOOL
20 DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
21 DEPARTMENT, PROVES BY A PREPONDERANCE OF THE EVIDENCE THAT AN
22 ADMINISTRATOR OR BOARD MEMBER OF A CHARTER SCHOOL ENTITY HAS
23 VIOLATED THIS ARTICLE, THE TERMS AND CONDITIONS OF THE CHARTER
24 OR ANY OTHER LAW, THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
25 CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT MAY REQUIRE THE
26 CHARTER SCHOOL ENTITY TO REPLACE AN ADMINISTRATOR OR BOARD OF
27 TRUSTEES MEMBER IN ORDER TO OBTAIN RENEWAL OF THE CHARTER. THE
28 LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE CASE OF A CYBER
29 CHARTER SCHOOL, THE DEPARTMENT MAY REFER ITS FINDINGS TO THE
30 DISTRICT ATTORNEY WITH JURISDICTION OR TO THE OFFICE OF ATTORNEY

1 GENERAL FOR PROSECUTION IF THE LOCAL BOARD OF SCHOOL DIRECTORS
2 OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT
3 DISCOVERS OR RECEIVES INFORMATION ABOUT POSSIBLE VIOLATIONS OF
4 LAW BY ANY PERSON AFFILIATED WITH OR EMPLOYED BY A CHARTER
5 SCHOOL ENTITY.

6 (C) ANY NOTICE OF REVOCATION OR NONRENEWAL OF A CHARTER
7 GIVEN BY THE LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL
8 DISTRICT SHALL STATE THE GROUNDS FOR SUCH ACTION WITH REASONABLE
9 SPECIFICITY AND GIVE REASONABLE NOTICE TO THE [GOVERNING] BOARD
10 OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL OF
11 THE DATE ON WHICH A PUBLIC HEARING CONCERNING THE REVOCATION OR
12 NONRENEWAL WILL BE HELD. THE LOCAL BOARD OF SCHOOL DIRECTORS
13 SHALL CONDUCT SUCH HEARING, PRESENT EVIDENCE IN SUPPORT OF THE
14 GROUNDS FOR REVOCATION OR NONRENEWAL STATED IN ITS NOTICE AND
15 GIVE THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL REASONABLE
16 OPPORTUNITY TO OFFER TESTIMONY BEFORE TAKING FINAL ACTION.
17 FORMAL ACTION REVOKING OR NOT RENEWING A CHARTER SHALL BE TAKEN
18 BY THE LOCAL BOARD OF SCHOOL DIRECTORS AT A PUBLIC MEETING HELD
19 PURSUANT TO [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS
20 THE "SUNSHINE ACT,"] 65 PA.C.S. CH. 7 (RELATING TO OPEN
21 MEETINGS) AFTER THE PUBLIC HAS HAD THIRTY (30) DAYS TO PROVIDE
22 COMMENTS TO THE BOARD. ALL PROCEEDINGS OF THE LOCAL BOARD
23 PURSUANT TO THIS SUBSECTION SHALL BE SUBJECT TO 2 PA.C.S. CH. 5
24 SUBCH. B (RELATING TO PRACTICE AND PROCEDURE OF LOCAL AGENCIES).
25 EXCEPT AS PROVIDED IN SUBSECTION (D), THE DECISION OF THE LOCAL
26 BOARD SHALL NOT BE SUBJECT TO 2 PA.C.S. CH. 7 SUBCH. B (RELATING
27 TO JUDICIAL REVIEW OF LOCAL AGENCY ACTION).

28 * * *

29 SECTION 19. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:
30 SECTION 1729.1-A. EVALUATION OF EDUCATORS.-- (A) ALL

1 APPLICATIONS BY A CHARTER SCHOOL ENTITY FOR A CHARTER OR FOR THE
2 RENEWAL OF A CHARTER SHALL INCLUDE A SYSTEM OF EVALUATION FOR
3 EDUCATORS THAT INCLUDES BOTH OF THE FOLLOWING:

4 (1) AT LEAST FOUR (4) RATING CATEGORIES OF EDUCATOR
5 PERFORMANCE.

6 (2) MULTIPLE MEASURES OF STUDENT PERFORMANCE WHICH SHALL
7 INCLUDE, BUT MAY NOT BE LIMITED TO, VALUE-ADDED ASSESSMENT
8 SYSTEM DATA MADE AVAILABLE BY THE DEPARTMENT UNDER SECTION 221
9 AND STUDENT PERFORMANCE ON THE MOST RECENT ASSESSMENTS FOR WHICH
10 RESULTS HAVE BEEN RELEASED BY THE DEPARTMENT AND MAY INCLUDE
11 GOALS SPECIFIC TO THE MISSION OF THE CHARTER SCHOOL ENTITY'S
12 CHARTER.

13 (B) NOTHING IN THIS SECTION SHALL PREEMPT THE POWERS OF A
14 BOARD OF TRUSTEES UNDER SECTION 1716-A(A) NOR AFFECT THE INTENT
15 OF THE GENERAL ASSEMBLY PROVIDED IN SECTION 1702-A(3) AND (4).

16 SECTION 1729.2-A. MULTIPLE CHARTER SCHOOL ORGANIZATIONS.--

17 (A) ESTABLISHMENT SHALL BE AS FOLLOWS:

18 (1) SUBJECT TO THE REQUIREMENTS OF SUBSECTION (B), TWO OR
19 MORE CHARTER SCHOOLS MAY CONSOLIDATE UNDER 15 PA.C.S. PT.II
20 SUBPT. C (RELATING TO NONPROFIT CORPORATIONS) INTO A MULTIPLE
21 CHARTER SCHOOL ORGANIZATION.

22 (2) THE MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL BE:

23 (I) GRANTED A SINGLE CHARTER TO OPERATE TWO OR MORE
24 INDIVIDUAL CHARTER SCHOOLS UNDER THE OVERSIGHT OF A SINGLE BOARD
25 OF TRUSTEES AND A CHIEF ADMINISTRATOR WHO SHALL OVERSEE AND
26 MANAGE THE OPERATION OF THE INDIVIDUAL CHARTER SCHOOLS UNDER ITS
27 ORGANIZATION;

28 (II) CONSIDERED A CHARTER SCHOOL ENTITY; AND

29 (III) SUBJECT TO ALL OF THE REQUIREMENTS OF THIS ARTICLE
30 UNLESS OTHERWISE PROVIDED FOR UNDER THIS SECTION.

1 (3) NOTHING UNDER THIS SUBSECTION SHALL BE CONSTRUED TO
2 AFFECT OR CHANGE THE TERMS OR CONDITIONS OF ANY INDIVIDUAL
3 CHARTER PREVIOUSLY GRANTED THAT IS CONSOLIDATED UNDER THIS
4 SECTION.

5 (B) THE FOLLOWING APPLY TO CONSOLIDATION OF TWO OR MORE
6 INDIVIDUAL CHARTER SCHOOLS INTO A MULTIPLE CHARTER SCHOOL
7 ORGANIZATION:

8 (1) A CHARTER SCHOOL THAT, PRIOR TO THE EFFECTIVE DATE OF
9 THIS SECTION, WAS APPROVED BY A LOCAL BOARD OF SCHOOL DIRECTORS,
10 A SPECIAL BOARD OF CONTROL, A SCHOOL REFORM COMMISSION OR
11 ANOTHER GOVERNING AUTHORITY AND THAT CHOOSES TO CONSOLIDATE INTO
12 A MULTIPLE CHARTER SCHOOL ORGANIZATION UNDER THIS SECTION MAY
13 APPLY TO THE DEPARTMENT TO CONSOLIDATE ALL AFFILIATED SCHOOL
14 CHARTERS INTO A SINGLE CHARTER WITHIN NINETY (90) DAYS AFTER THE
15 DEPARTMENT PUBLISHES THE STANDARD APPLICATION FORM REQUIRED
16 UNDER SUBSECTION (C). BEGINNING NINETY-ONE (91) DAYS AFTER THE
17 DEPARTMENT PUBLISHES THE STANDARD APPLICATION FORM REQUIRED
18 UNDER SUBSECTION (C), NO CHARTER SCHOOL THAT WAS APPROVED PRIOR
19 TO THE EFFECTIVE DATE OF THIS SECTION SHALL BE ELIGIBLE TO
20 CONSOLIDATE WITH ANOTHER CHARTER SCHOOL.

21 (2) CONSOLIDATION IS RESTRICTED AS FOLLOWS:

22 (I) EXCEPT AS SET FORTH IN SUBPARAGRAPH (II), A CHARTER
23 SCHOOL SHALL NOT BE ELIGIBLE TO CONSOLIDATE WITH ANOTHER CHARTER
24 SCHOOL THAT:

25 (A) WITHIN EITHER OF THE MOST RECENT TWO (2) SCHOOL YEARS,
26 HAS FAILED TO MEET THE REQUIREMENTS FOR STUDENT PERFORMANCE SET
27 FORTH IN 22 PA. CODE CH. 4 (RELATING TO ACADEMIC STANDARDS AND
28 ASSESSMENT);

29 (B) DOES NOT MEET ACCEPTED STANDARDS OF FISCAL MANAGEMENT OR
30 AUDIT REQUIREMENTS; OR

1 (C) DOES NOT MEET THE STANDARDS SET FORTH BY THE MATRIX
2 ESTABLISHED UNDER SECTION 1732-A(C) (3).

3 (II) SUBPARAGRAPH (I) SHALL NOT APPLY IF THE CONSOLIDATION
4 INCLUDES A CHARTER SCHOOL WHICH IS NOT IN VIOLATION OF
5 SUBPARAGRAPH (I) OVER THE MOST RECENT TWO (2) SCHOOL YEARS.

6 (III) CLAUSE (I) (C) SHALL NOT APPLY UNTIL THE MATRIX
7 REQUIRED UNDER SECTION 1732-A(C) (3) HAS BEEN DEVELOPED.

8 (3) THE BOARD OF TRUSTEES OF EACH CHARTER SCHOOL SHALL
9 JOINTLY SUBMIT THEIR CHARTER SCHOOL'S CURRENT CHARTER AND ANNUAL
10 REPORT TO THE DEPARTMENT AND REQUEST THAT OVERSIGHT OVER THE
11 MULTIPLE CHARTER SCHOOL ORGANIZATION, INCLUDING THE AUTHORITY TO
12 CONSIDER APPLICATIONS FOR RENEWAL, BE TRANSFERRED TO THE
13 DEPARTMENT.

14 (4) (I) UPON RECEIPT OF A CONSOLIDATION AND TRANSFER
15 APPLICATION AND ALL NECESSARY DOCUMENTATION AS REQUIRED BY THE
16 DEPARTMENT, THE DEPARTMENT SHALL HAVE THIRTY (30) DAYS TO
17 APPROVE OR DENY THE CONSOLIDATION AND TRANSFER APPLICATION.

18 (II) WRITTEN NOTICE OF THE DEPARTMENT'S ACTION SHALL BE SENT
19 TO THE APPLICANTS. IF THE APPLICATION IS DENIED, THE REASONS FOR
20 THE DENIAL, INCLUDING A DESCRIPTION OF DEFICIENCIES IN THE
21 APPLICATION, SHALL BE CLEARLY STATED IN THE NOTICE SENT BY THE
22 DEPARTMENT TO THE APPLICANTS.

23 (III) IF THE DEPARTMENT APPROVES THE CONSOLIDATION AND
24 TRANSFER, THE DEPARTMENT SHALL PROVIDE NOTIFICATION TO THE LOCAL
25 BOARDS OF SCHOOL DIRECTORS, THE SPECIAL BOARDS OF CONTROL, THE
26 SCHOOL REFORM COMMISSION OR OTHER GOVERNING AUTHORITIES WHICH
27 INITIALLY APPROVED THE CHARTERS.

28 (IV) A DECISION BY THE DEPARTMENT TO DENY THE CONSOLIDATION
29 AND TRANSFER APPLICATION UNDER SUBPARAGRAPH (I) MAY BE APPEALED
30 TO THE APPEAL BOARD. THE FOLLOWING SHALL APPLY TO AN APPEAL

1 UNDER THIS PARAGRAPH:

2 (A) IN THE CASE OF AN APPEAL UNDER THIS CLAUSE, THE APPEAL
3 BOARD SHALL REVIEW THE APPLICATION AND MAKE A DECISION TO
4 APPROVE OR DENY THE CONSOLIDATION AND TRANSFER APPLICATION BASED
5 ON WHETHER THE APPLICATION INCLUDES THE INFORMATION REQUIRED
6 UNDER SUBSECTION (C).

7 (B) WITHIN THIRTY (30) DAYS FOLLOWING RECEIPT OF AN APPEAL
8 UNDER THIS CLAUSE, THE APPEAL BOARD SHALL MEET TO OFFICIALLY
9 REVIEW THE CERTIFIED RECORD OF THE DEPARTMENT.

10 (C) WITHIN SIXTY (60) DAYS FOLLOWING THE REVIEW CONDUCTED
11 PURSUANT TO CLAUSE (B), THE APPEAL BOARD SHALL ISSUE A WRITTEN
12 DECISION AFFIRMING OR REVERSING THE DECISION OF THE DEPARTMENT.
13 WRITTEN NOTICE OF THE DECISION OF THE APPEAL BOARD SHALL BE
14 PROVIDED TO THE PARTIES.

15 (D) A DECISION BY THE APPEAL BOARD UNDER THIS CLAUSE TO
16 APPROVE THE CONSOLIDATION AND TRANSFER APPLICATION SHALL SERVE
17 AS A REQUIREMENT FOR THE DEPARTMENT TO APPROVE THE APPLICATION
18 AND PROVIDE NOTIFICATION OF THE APPROVAL TO THE LOCAL BOARDS OF
19 SCHOOL DIRECTORS, THE SPECIAL BOARDS OF CONTROL, THE SCHOOL
20 REFORM COMMISSION OR OTHER GOVERNING AUTHORITIES WHICH INITIALLY
21 APPROVED THE CHARTERS WITHIN TEN (10) DAYS OF THE REVERSAL OF
22 THE DECISION OF THE DEPARTMENT. IF THE DEPARTMENT FAILS TO
23 PROVIDE NOTIFICATION WITHIN TEN (10) DAYS OF THE REVERSAL OF THE
24 DECISION OF THE DEPARTMENT, THE APPLICATION SHALL BE DEEMED TO
25 BE APPROVED AND THE APPEAL BOARD SHALL PROVIDE NOTIFICATION OF
26 THE APPROVAL TO THE LOCAL BOARDS OF SCHOOL DIRECTORS, THE
27 SPECIAL BOARDS OF CONTROL, THE SCHOOL REFORM COMMISSION OR OTHER
28 GOVERNING AUTHORITIES WHICH INITIALLY APPROVED THE CHARTERS.

29 (E) ALL DECISIONS OF THE APPEAL BOARD SHALL BE SUBJECT TO
30 APPELLATE REVIEW BY THE COMMONWEALTH COURT.

1 (5) NO LATER THAN THIRTY (30) DAYS AFTER THE RECEIPT OF THE
2 NOTIFICATION OF APPROVAL REQUIRED UNDER PARAGRAPH (4), THE LOCAL
3 BOARDS OF SCHOOL DIRECTORS, THE SPECIAL BOARDS OF CONTROL, THE
4 SCHOOL REFORM COMMISSION OR OTHER GOVERNING AUTHORITIES WHICH
5 INITIALLY APPROVED THE CHARTERS SHALL TRANSFER TO THE DEPARTMENT
6 ALL RECORDS REGARDING OVERSIGHT OF THE CHARTER SCHOOLS.

7 (6) A CHARTER SCHOOL'S CHARTER TERM SHALL REMAIN IN EFFECT
8 UNTIL THE TIME OF EXPIRATION, AT WHICH TIME THE DEPARTMENT WILL
9 UNDERTAKE A COMPREHENSIVE REVIEW PRIOR TO GRANTING A TEN-YEAR
10 CHARTER RENEWAL.

11 (C) WITHIN THIRTY (30) DAYS OF THE EFFECTIVE DATE OF THIS
12 SECTION, THE DEPARTMENT SHALL DEVELOP AND ISSUE A STANDARD
13 APPLICATION FORM FOR MULTIPLE CHARTER SCHOOL ORGANIZATION
14 APPLICANTS AND SHALL PUBLISH THE APPLICATION FORM IN THE
15 PENNSYLVANIA BULLETIN AND ON THE DEPARTMENT'S PUBLICLY
16 ACCESSIBLE INTERNET WEBSITE. THE APPLICATION FORM SHALL CONTAIN
17 THE FOLLOWING INFORMATION:

18 (1) THE NAME OF THE MULTIPLE CHARTER SCHOOL ORGANIZATION.

19 (2) THE NAMES OF THE CHARTER SCHOOLS SEEKING CONSOLIDATION
20 AND TRANSFER UNDER THIS SECTION.

21 (3) A COPY OF THE APPROVED CHARTER OF EACH CHARTER SCHOOL
22 SEEKING TO CONSOLIDATE AND TRANSFER OVERSIGHT FUNCTIONS TO THE
23 DEPARTMENT.

24 (4) AN ORGANIZATIONAL CHART CLEARLY PRESENTING THE PROPOSED
25 GOVERNANCE STRUCTURE OF THE MULTIPLE CHARTER SCHOOL
26 ORGANIZATION, INCLUDING LINES OF AUTHORITY AND REPORTING BETWEEN
27 THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS,
28 STAFF AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
29 PLAY A ROLE IN PROVIDING MANAGEMENT SERVICES TO THE CHARTER
30 SCHOOLS UNDER ITS JURISDICTION.

1 (5) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES
2 FOR THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS
3 AND ANY OTHER ENTITIES, INCLUDING A CHARTER SCHOOL FOUNDATION,
4 SHOWN IN THE ORGANIZATIONAL CHART.

5 (6) A CLEAR DESCRIPTION AND METHOD FOR THE APPOINTMENT OR
6 ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.

7 (7) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE, INCLUDING
8 COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND TERMS OF
9 THE CHARTER.

10 (8) ENROLLMENT PROCEDURES FOR EACH INDIVIDUAL CHARTER SCHOOL
11 INCLUDED IN ITS CHARTER.

12 (9) ANY OTHER INFORMATION AS DEEMED NECESSARY BY THE
13 DEPARTMENT.

14 (D) A MULTIPLE CHARTER SCHOOL ORGANIZATION MAY:

15 (1) PARTICIPATE IN THE ASSESSMENT SYSTEM IN THE SAME MANNER
16 IN WHICH A SCHOOL DISTRICT PARTICIPATES, WITH ITS INDIVIDUAL
17 CHARTER SCHOOLS PARTICIPATING IN THE ASSESSMENT SYSTEM IN THE
18 SAME MANNER AS INDIVIDUAL SCHOOLS IN SCHOOL DISTRICTS. ALL DATA
19 GATHERED FOR PURPOSES OF EVALUATION SHALL BE GATHERED IN THE
20 SAME MANNER IN WHICH DATA IS GATHERED IN THE CASE OF SCHOOL
21 DISTRICTS AND INDIVIDUAL SCHOOLS IN SCHOOL DISTRICTS.

22 (2) BEGINNING NINETY-ONE (91) DAYS AFTER THE DEPARTMENT
23 PUBLISHES THE STANDARD APPLICATION FORM REQUIRED UNDER
24 SUBSECTION (C), ADD NEWLY ESTABLISHED CHARTER SCHOOLS TO ITS
25 ORGANIZATION THROUGH BOTH OF THE FOLLOWING:

26 (I) ESTABLISH A NEW CHARTER SCHOOL BY APPLYING FOR A CHARTER
27 THROUGH THE LOCAL SCHOOL BOARD UNDER SECTION 1717-A; AND

28 (II) APPLY TO THE DEPARTMENT TO CONSOLIDATE AND TRANSFER
29 UNDER THIS SECTION.

30 (3) AMEND THE INDIVIDUAL CHARTERS OF EACH CHARTER SCHOOL

1 UNDER ITS ORGANIZATION BY SEEKING APPROVAL FROM THE DEPARTMENT
2 UNDER THE AMENDMENT PROCESS INCLUDED UNDER SECTION 1720-A.

3 (4) ALLOW STUDENTS ENROLLED IN AN INDIVIDUAL CHARTER SCHOOL
4 TO MATRICULATE TO ANOTHER INDIVIDUAL CHARTER SCHOOL UNDER ITS
5 OVERSIGHT SO AS TO COMPLETE A COURSE OF INSTRUCTION IN AN
6 EDUCATIONAL INSTITUTION FROM KINDERGARTEN THROUGH GRADE TWELVE.

7 (E) THE ANNUAL REPORT REQUIRED UNDER SECTION 1728-A SHALL BE
8 PROVIDED BY THE BOARD OF TRUSTEES AND CHIEF ADMINISTRATOR OF THE
9 MULTIPLE CHARTER SCHOOL ORGANIZATION AND SHALL INCLUDE ALL
10 INFORMATION REQUIRED TO PROVIDE A BASIS FOR EVALUATION FOR
11 RENEWAL OF EACH INDIVIDUAL CHARTER SCHOOL UNDER THE
12 ORGANIZATION'S OVERSIGHT.

13 (F) A MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL BE REGARDED
14 AS THE HOLDER OF THE CHARTER OF EACH INDIVIDUAL CHARTER SCHOOL
15 UNDER ITS OVERSIGHT AND EACH PREVIOUSLY OR SUBSEQUENTLY AWARDED
16 CHARTER SHALL BE SUBJECT TO NONRENEWAL OR REVOCATION IN
17 ACCORDANCE WITH THIS ACT. THE NONRENEWAL OR REVOCATION SHALL NOT
18 AFFECT THE STATUS OF A CHARTER AWARDED FOR ANY OTHER INDIVIDUAL
19 CHARTER SCHOOL UNDER ITS OVERSIGHT.

20 (G) THE DEPARTMENT SHALL:

21 (1) RECEIVE, REVIEW AND ACT ON MULTIPLE CHARTER SCHOOL
22 ORGANIZATION CONSOLIDATION AND TRANSFER APPLICATIONS UNDER THIS
23 SECTION.

24 (2) EXERCISE OVERSIGHT OVER MULTIPLE CHARTER SCHOOL
25 ORGANIZATIONS APPROVED UNDER THIS SECTION.

26 (3) DEVELOP AND ISSUE A STANDARD APPLICATION FORM FOR
27 MULTIPLE CHARTER SCHOOL ORGANIZATION APPLICANTS AND PUBLISH THE
28 APPLICATION FORM IN THE PENNSYLVANIA BULLETIN AND ON THE
29 DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE UNDER
30 SUBSECTION (C).

1 SECTION 20. SECTION 1732-A OF THE ACT, AMENDED JUNE 29, 2002
2 (P.L.524, NO.88), IS AMENDED TO READ:

3 SECTION 1732-A. PROVISIONS APPLICABLE TO CHARTER SCHOOLS AND
4 REGIONAL CHARTER SCHOOLS.-- (A) CHARTER SCHOOLS AND REGIONAL
5 CHARTER SCHOOLS SHALL BE SUBJECT TO THE FOLLOWING:

6 (1) SECTIONS 108, 110, 111, 321, 325, 326, 327, 431, 436,
7 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
8 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(A),
9 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
10 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1303-A,
11 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A, ARTICLE XIII-A
12 AND ARTICLE XIV.

13 (2) ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS THE
14 "STATE ADVERSE INTEREST ACT."

15 (3) ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS THE
16 "PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT."

17 (4) ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED "AN ACT
18 PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY PERSONS
19 ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN DANGERS IN
20 SCHOOLS, COLLEGES AND UNIVERSITIES."

21 (5) SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965 P.L.1546,
22 NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS AND PROVIDING
23 FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED STUDENTS OF THE
24 COMMONWEALTH OF PENNSYLVANIA WHO NEED FINANCIAL ASSISTANCE TO
25 ATTEND POSTSECONDARY INSTITUTIONS OF HIGHER LEARNING, MAKING AN
26 APPROPRIATION, AND PROVIDING FOR THE ADMINISTRATION OF THIS
27 ACT."

28 (6) ACT OF JULY 12, 1972 (P.L.765, NO.181), ENTITLED "AN ACT
29 RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE, PROVIDING FOR
30 PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL AGENCIES, OTHER

1 PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR ORGANIZATIONS."

2 (7) ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175), KNOWN AS
3 THE "ANTIHAZING LAW."

4 (8) 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

5 (9) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND
6 FINANCIAL DISCLOSURE).

7 (B) CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS SHALL BE
8 SUBJECT TO THE FOLLOWING PROVISIONS OF 22 PA. CODE:

9 [SECTION 5.216 (RELATING TO ESOL).

10 SECTION 5.4 (RELATING TO GENERAL POLICIES).]

11 (1) CHAPTER 4 (RELATING TO ACADEMIC STANDARDS AND
12 ASSESSMENTS).

13 (2) CHAPTER 11 (RELATING TO PUPIL ATTENDANCE).

14 (3) CHAPTER 12 (RELATING TO STUDENTS).

15 (4) SECTION 32.3 (RELATING TO ASSURANCES).

16 (5) SECTION 121.3 (RELATING TO DISCRIMINATION PROHIBITED).

17 (6) SECTION 235.4 (RELATING TO PRACTICES).

18 (7) SECTION 235.8 (RELATING TO CIVIL RIGHTS).

19 (8) CHAPTER 711 (RELATING TO CHARTER SCHOOL SERVICES AND
20 PROGRAMS FOR CHILDREN WITH DISABILITIES).

21 (C) (1) THE SECRETARY MAY PROMULGATE ADDITIONAL REGULATIONS
22 RELATING TO CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS.

23 (2) THE SECRETARY SHALL HAVE THE AUTHORITY AND THE
24 RESPONSIBILITY TO ENSURE THAT CHARTER SCHOOLS AND REGIONAL
25 CHARTER SCHOOLS COMPLY WITH FEDERAL LAWS AND REGULATIONS
26 GOVERNING CHILDREN WITH DISABILITIES. THE SECRETARY SHALL
27 PROMULGATE REGULATIONS TO IMPLEMENT THIS PROVISION.

28 (3) (I) WITHIN EIGHTEEN (18) MONTHS OF THE EFFECTIVE DATE
29 OF THIS PARAGRAPH, THE STATE BOARD OF EDUCATION SHALL DEVELOP A
30 STANDARD PERFORMANCE MATRIX TO EVALUATE CHARTER SCHOOL AND

1 REGIONAL CHARTER SCHOOL PERFORMANCE AND SHALL PROMULGATE
2 REGULATIONS PURSUANT TO THE ACT OF JUNE 25, 1982 (P.L.633,
3 NO.181), KNOWN AS THE "REGULATORY REVIEW ACT," TO IMPLEMENT THIS
4 SECTION.

5 (II) THE PERFORMANCE MATRIX MAY ASSESS PERFORMANCE BY
6 UTILIZING OBJECTIVE CRITERIA, INCLUDING, BUT NOT LIMITED TO:
7 STUDENT PERFORMANCE ON ASSESSMENTS; ANNUAL GROWTH AS MEASURED BY
8 THE PENNSYLVANIA VALUE-ADDED ASSESSMENT SYSTEM; ATTENDANCE;
9 ATTRITION RATES; GRADUATION RATES; OTHER STANDARDIZED TEST
10 SCORES; SCHOOL SAFETY; PARENT SATISFACTION; ACCREDITATION BY A
11 NATIONALLY RECOGNIZED ACCREDITATION AGENCY, INCLUDING THE MIDDLE
12 STATES ASSOCIATION OF COLLEGES AND SCHOOLS OR ANOTHER REGIONAL
13 INSTITUTIONAL ACCREDITING AGENCY RECOGNIZED BY THE UNITED STATES
14 DEPARTMENT OF EDUCATION OR AN EQUIVALENT FEDERALLY RECOGNIZED
15 BODY FOR CHARTER SCHOOL EDUCATION; AND OTHER MEASURES OF SCHOOL
16 QUALITY, INCLUDING MEASURES FOR ASSESSING TEACHER EFFECTIVENESS.
17 THE DEPARTMENT SHALL UTILIZE THE STANDARD PERFORMANCE MATRIX AS
18 A PRIMARY FACTOR IN EVALUATING NEW AND RENEWAL CYBER CHARTER
19 SCHOOL APPLICANTS AND IN ANNUAL MONITORING AND EVALUATION OF
20 CYBER CHARTER SCHOOLS.

21 (III) IN DEVELOPING THE PERFORMANCE MATRIX, THE STATE BOARD
22 OF EDUCATION MAY CONTRACT FOR CONSULTING SERVICES WITH AN ENTITY
23 THAT HAS EXPERIENCE IN DEVELOPING PERFORMANCE MATRICES IF THE
24 SERVICES ARE PROCURED THROUGH A COMPETITIVE BIDDING PROCESS.

25 (IV) NO LOCAL BOARD OF SCHOOL DIRECTORS MAY DEVELOP A
26 SEPARATE PERFORMANCE MATRIX FOR THE EVALUATION OF A CHARTER
27 SCHOOL OR REGIONAL CHARTER SCHOOL.

28 (V) A LOCAL BOARD OF SCHOOL DIRECTORS SHALL UTILIZE THE
29 STANDARD PERFORMANCE MATRIX AS A PRIMARY FACTOR IN EVALUATING
30 NEW AND RENEWAL CHARTER SCHOOL AND REGIONAL CHARTER SCHOOL

1 APPLICANTS AND IN ANNUAL MONITORING AND EVALUATION OF CHARTER
2 SCHOOLS AND REGIONAL CHARTER SCHOOLS.

3 (VI) (A) IN DEVELOPING THE PERFORMANCE MATRIX AND
4 PROMULGATING THE REGULATIONS REQUIRED UNDER SUBPARAGRAPH (I),
5 THE STATE BOARD OF EDUCATION SHALL CONVENE AND CONSULT WITH A
6 STATEWIDE ADVISORY COMMITTEE WHICH SHALL CONSIST OF
7 REPRESENTATIVES OF THE DEPARTMENT AND A MINIMUM OF FIVE (5)
8 REPRESENTATIVES FROM CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS,
9 CYBER CHARTER SCHOOLS AND INSTITUTIONS OF HIGHER EDUCATION WITH
10 EXPERIENCE IN THE OVERSIGHT OF CHARTER SCHOOLS. MEMBERS OF THE
11 COMMITTEE SHALL BE SELECTED TO BE REPRESENTATIVE OF THE URBAN,
12 RURAL AND SUBURBAN AREAS OF THIS COMMONWEALTH.

13 (B) THE STATEWIDE ADVISORY COMMITTEE REQUIRED TO BE CONVENED
14 UNDER CLAUSE (A) SHALL BE CONVENED NOT LATER THAN THIRTY (30)
15 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION AND SHALL MEET
16 REGULARLY TO FULFILL REQUIREMENTS OF THIS PARAGRAPH.

17 (VII) THE DEPARTMENT SHALL DISTRIBUTE THE PERFORMANCE MATRIX
18 TO ALL LOCAL BOARDS OF SCHOOL DIRECTORS AND SHALL PUBLISH THE
19 MATRIX ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

20 SECTION 21. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

21 SECTION 1733-A. EFFECT ON EXISTING CHARTER SCHOOL
22 ENTITIES.-- (A) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF
23 THIS SECTION, A CHARTER SCHOOL ENTITY ESTABLISHED UNDER SECTION
24 1717-A, 1718-A OR 1745-A PRIOR TO THE EFFECTIVE DATE OF THIS
25 SECTION SHALL AMEND THE CURRENT CHARTER THROUGH THE AMENDMENT
26 PROCESS UNDER SECTION 1720-A(B) OR 1745-A(F) (5) AS NEEDED TO
27 REFLECT THE REQUIREMENTS OF THIS ARTICLE. ANY RENEWAL THAT TAKES
28 EFFECT AFTER NOVEMBER 15, 2012, SHALL BE FOR THE TERM SPECIFIED
29 UNDER SECTION 1720-A(A) OR 1745-A(F).

30 (B) A CHARTER SCHOOL ENTITY APPROVED AFTER THE EFFECTIVE

1 DATE OF THIS SECTION SHALL BE IN FULL COMPLIANCE WITH THIS
2 ARTICLE.

3 SECTION 22. SECTIONS 1741-A(C) AND 1742-A OF THE ACT, ADDED
4 JUNE 29, 2002 (P.L.524, NO.88), ARE AMENDED TO READ:

5 SECTION 1741-A. POWERS AND DUTIES OF DEPARTMENT.

6 * * *

7 (C) DOCUMENTS.--DOCUMENTS OF THE APPEAL BOARD SHALL BE
8 SUBJECT TO THE ACT OF JUNE 21, 1957 (P.L.390, NO.212), REFERRED
9 TO AS THE RIGHT-TO-KNOW LAW.

10 SECTION 1742-A. ASSESSMENT AND EVALUATION.

11 THE DEPARTMENT SHALL:

12 (1) ANNUALLY ASSESS WHETHER EACH CYBER CHARTER SCHOOL IS
13 MEETING THE GOALS OF ITS CHARTER AND IS IN COMPLIANCE WITH
14 THE PROVISIONS OF THE CHARTER AND CONDUCT A COMPREHENSIVE
15 REVIEW PRIOR TO GRANTING A [FIVE-YEAR] TEN-YEAR RENEWAL OF
16 THE CHARTER.

17 (2) ANNUALLY REVIEW EACH CYBER CHARTER SCHOOL'S
18 PERFORMANCE ON THE PENNSYLVANIA SYSTEM OF SCHOOL ASSESSMENT
19 TEST, STANDARDIZED TESTS AND OTHER PERFORMANCE INDICATORS TO
20 ENSURE COMPLIANCE WITH 22 PA. CODE CH. 4 (RELATING TO
21 ACADEMIC STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
22 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

23 (3) HAVE ONGOING ACCESS TO ALL RECORDS, INSTRUCTIONAL
24 MATERIALS AND STUDENT AND STAFF RECORDS OF EACH CYBER CHARTER
25 SCHOOL AND TO EVERY CYBER CHARTER SCHOOL FACILITY TO ENSURE
26 THE CYBER CHARTER SCHOOL IS IN COMPLIANCE WITH ITS CHARTER
27 AND THIS SUBDIVISION.

28 SECTION 23. SECTION 1745-A(F) OF THE ACT, ADDED JUNE 29,
29 2002 (P.L.524, NO.88), IS AMENDED AND THE SECTION IS AMENDED BY
30 ADDING A SUBSECTION TO READ:

1 SECTION 1745-A. ESTABLISHMENT OF CYBER CHARTER SCHOOL.

2 * * *

3 (B.1) LOCAL BOARD OF SCHOOL DIRECTORS OR INTERMEDIATE
4 UNIT.--

5 (1) A CYBER CHARTER SCHOOL MAY BE ESTABLISHED BY A LOCAL
6 BOARD OF SCHOOL DIRECTORS OR AN INTERMEDIATE UNIT IF THE
7 PROCEDURES AND REQUIREMENTS OF THIS ARTICLE ARE SATISFIED.

8 (2) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO
9 PRECLUDE A SCHOOL DISTRICT OR AN INTERMEDIATE UNIT FROM
10 OFFERING INSTRUCTION VIA THE INTERNET OR OTHER ELECTRONIC
11 MEANS, EXCEPT THAT THE INSTRUCTION SHALL NOT BE RECOGNIZED AS
12 A CYBER CHARTER SCHOOL UNDER THIS ARTICLE.

13 * * *

14 (F) EVALUATION CRITERIA.--

15 (1) A CYBER CHARTER SCHOOL APPLICATION SUBMITTED UNDER
16 THIS SUBDIVISION SHALL BE EVALUATED BY THE DEPARTMENT BASED
17 ON THE FOLLOWING CRITERIA:

18 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE
19 CYBER CHARTER SCHOOL PLAN BY TEACHERS, PARENTS OR
20 GUARDIANS AND STUDENTS.

21 (II) THE CAPABILITY OF THE CYBER CHARTER SCHOOL
22 APPLICANT, IN TERMS OF SUPPORT AND PLANNING, TO PROVIDE
23 COMPREHENSIVE LEARNING EXPERIENCES TO STUDENTS UNDER THE
24 CHARTER.

25 (III) THE EXTENT TO WHICH THE PROGRAMS OUTLINED IN
26 THE APPLICATION WILL ENABLE STUDENTS TO MEET THE ACADEMIC
27 STANDARDS UNDER 22 PA. CODE CH. 4 (RELATING TO ACADEMIC
28 STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
29 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

30 (IV) THE EXTENT TO WHICH THE APPLICATION MEETS THE

1 REQUIREMENTS OF SECTION 1747-A.

2 [(V) THE EXTENT TO WHICH THE CYBER CHARTER SCHOOL
3 MAY SERVE AS A MODEL FOR OTHER PUBLIC SCHOOLS.]

4 (2) WRITTEN NOTICE OF THE ACTION OF THE DEPARTMENT SHALL
5 BE SENT BY CERTIFIED MAIL TO THE APPLICANT AND PUBLISHED ON
6 THE DEPARTMENT'S [WORLD WIDE WEB SITE] PUBLICLY ACCESSIBLE
7 INTERNET WEBSITE. IF THE APPLICATION IS DENIED, THE REASONS
8 FOR DENIAL, INCLUDING A DESCRIPTION OF DEFICIENCIES IN THE
9 APPLICATION, SHALL BE CLEARLY STATED IN THE NOTICE.

10 (3) UPON APPROVAL OF A CYBER CHARTER SCHOOL APPLICATION,
11 A WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
12 PROVISIONS OF THE CHARTER APPLICATION AND BE SIGNED BY THE
13 SECRETARY AND EACH MEMBER OF THE BOARD OF TRUSTEES OF THE
14 CYBER CHARTER SCHOOL. THE CHARTER, WHEN DULY SIGNED, SHALL
15 ACT AS LEGAL AUTHORIZATION OF THE ESTABLISHMENT OF A CYBER
16 CHARTER SCHOOL. THE CHARTER SHALL BE LEGALLY BINDING ON THE
17 DEPARTMENT, THE CYBER CHARTER SCHOOL AND ITS BOARD OF
18 TRUSTEES. THE CHARTER SHALL BE FOR A PERIOD OF [NO LESS THAN
19 THREE YEARS NOR MORE THAN] FIVE (5) YEARS AND MAY BE RENEWED
20 FOR [A PERIOD] PERIODS OF [FIVE] TEN (10) YEARS BY THE
21 DEPARTMENT.

22 (4) THE DECISION OF THE DEPARTMENT TO DENY AN
23 APPLICATION MAY BE APPEALED TO THE APPEAL BOARD.

24 (5) (I) A CYBER CHARTER SCHOOL MAY REQUEST AMENDMENTS
25 TO ITS APPROVED WRITTEN CHARTER BY FILING A WRITTEN DOCUMENT
26 DESCRIBING THE REQUESTED AMENDMENT WITH THE DEPARTMENT.

27 (II) WITHIN TWENTY (20) DAYS OF ITS RECEIPT OF THE
28 REQUEST FOR AN AMENDMENT, THE DEPARTMENT SHALL HOLD A PUBLIC
29 HEARING ON THE REQUESTED AMENDMENT UNDER 65 PA.C.S. CH. 7
30 (RELATING TO OPEN MEETINGS).

1 (III) WITHIN TWENTY (20) DAYS AFTER THE HEARING, THE
2 DEPARTMENT SHALL GRANT OR DENY THE REQUESTED AMENDMENT.
3 FAILURE BY THE DEPARTMENT TO HOLD A PUBLIC HEARING AND TO
4 GRANT OR DENY THE AMENDMENT WITHIN THE TIME PERIOD SPECIFIED
5 SHALL BE DEEMED AN APPROVAL.

6 (IV) AN APPLICANT FOR AN AMENDMENT SHALL HAVE THE RIGHT
7 TO APPEAL THE DENIAL OF A REQUESTED AMENDMENT TO THE APPEAL
8 BOARD PROVIDED FOR UNDER SECTION 1721-A.

9 * * *

10 SECTION 24. SECTION 1749-A(A) AND (C) OF THE ACT, ADDED JUNE
11 29, 2002 (P.L.524, NO.88), ARE AMENDED TO READ:

12 SECTION 1749-A. APPLICABILITY OF OTHER PROVISIONS OF THIS ACT
13 AND OF OTHER ACTS AND REGULATIONS.

14 (A) GENERAL REQUIREMENTS.--CYBER CHARTER 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, 736, 737, 738, 739, 740, 741,
18 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,
19 1112(A), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
20 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1303-A, 1513,
21 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-B,
22 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1719-A, 1721-
23 A, 1722-A, [1723-A(A) AND (B)] 1723-A(A), (B) AND (D), 1724-
24 A, 1725-A, 1727-A, 1728-A(D), (E), (F), (G) AND (H), 1729-A,
25 1729.1-A, 1730-A, 1731-A(A) (1) AND (B), 1732-A(C) (3) (II) AND
26 2014-A AND ARTICLES [XII-A,] XIII-A AND XIV.

27 (1.1) ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS
28 THE STATE ADVERSE INTEREST ACT.

29 (2) THE ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS
30 THE PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT.

1 (3) THE ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED
2 "AN ACT PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY
3 PERSONS ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN
4 DANGERS IN SCHOOLS, COLLEGES AND UNIVERSITIES."

5 (4) SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965
6 P.L.1546, NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS
7 AND PROVIDING FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED
8 STUDENTS OF THE COMMONWEALTH OF PENNSYLVANIA WHO NEED
9 FINANCIAL ASSISTANCE TO ATTEND POSTSECONDARY INSTITUTIONS OF
10 HIGHER LEARNING, MAKING AN APPROPRIATION, AND PROVIDING FOR
11 THE ADMINISTRATION OF THIS ACT."

12 (5) THE ACT OF JULY 12, 1972 (P.L.765, NO.181) ENTITLED
13 "AN ACT RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE,
14 PROVIDING FOR PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL
15 AGENCIES, OTHER PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR
16 ORGANIZATIONS."

17 (6) THE ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175),
18 KNOWN AS THE ANTIHAZING LAW.

19 (7) 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

20 (8) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND
21 FINANCIAL DISCLOSURE).

22 * * *

23 (C) EXISTING CHARTER SCHOOLS.--

24 (1) THE CHARTER OF A CHARTER SCHOOL APPROVED UNDER
25 SECTION 1717-A OR 1718-A WHICH PROVIDES INSTRUCTION THROUGH
26 THE INTERNET OR OTHER ELECTRONIC MEANS SHALL REMAIN IN EFFECT
27 FOR THE DURATION OF THE CHARTER AND SHALL BE SUBJECT TO THE
28 PROVISIONS OF SUBDIVISION (B).

29 (2) IN ADDITION TO SUBSECTIONS (A) AND (B), THE
30 FOLLOWING PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO A

1 CHARTER SCHOOL APPROVED UNDER SECTION 1717-A OR 1718-A WHICH
2 PROVIDES INSTRUCTION THROUGH THE INTERNET OR OTHER ELECTRONIC
3 MEANS:

4 (I) SECTION 1743-A(C), (D), (E), (F), (G), (H) AND
5 (I).

6 (II) SECTION 1744-A.

7 (III) SECTION 1748-A.

8 * * *

9 Section ~~2~~ 25. Section 2501(26) of the act, added July 9, ←
10 2008 (P.L.846, No.61), is amended and the section is amended by
11 adding clauses to read:

12 Section 2501. Definitions.--For the purposes of this article
13 the following terms shall have the following meanings:

14 * * *

15 (26) "Actual Spending." An amount equal to a school
16 district's total expenditures to include General Fund
17 expenditures in all functional classifications, as designated in
18 the Manual of Accounting and Related Financial Procedures for
19 Pennsylvania School Systems, except for:

- 20 (i) actual special education spending;
- 21 (ii) adult education;
- 22 (iii) higher education;
- 23 (iv) student transportation;
- 24 (v) community services;
- 25 (vi) scholarships and awards;
- 26 (vii) facilities acquisition;
- 27 (viii) construction and improvement services; and
- 28 [(ix) other expenditures and financing uses; and]
- 29 (x) tuition from patrons revenue.

30 * * *

1 (31) "Actual Special Education Spending." An amount equal to
2 a school district's total annual expenditures for special
3 education as established by the Department of Education and
4 designated in the Manual of Accounting and Related Financial
5 Procedures for Pennsylvania School Systems. The amount shall not
6 include expenditures that are exclusively for gifted students
7 who do not receive special education pursuant to an
8 individualized education program.

9 (32) "Eligible Student." A student who has been identified
10 as a student with a disability who is in need of special
11 education under Federal and State law.

12 (33) "Performance Indicators." Measurable annual objectives
13 established by the Department of Education pursuant to section
14 612(a)(15) of the Individuals with Disabilities Education Act
15 (Public Law 91-230, 20 U.S.C. § 1412(a)(15)) to assess progress
16 toward achieving State goals for the performance of eligible
17 students.

18 (34) "Public ~~Notice~~ ACCESS." Full and timely release of
19 information and documents for public access at a minimum through
20 publication by the Department of Education:

21 (i) in the Pennsylvania Bulletin;

22 (ii) on the department's publicly accessible Internet
23 website for no less than a duration of twelve (12) months; and

24 (iii) through the department's timely issuance of a related
25 Statewide press release.

26 (35) "Regular Classroom." A classroom in a regular school
27 operated primarily for students who have not been identified as
28 students with disabilities who are in need of special education.

29 (36) "Regular School." A neighborhood school, magnet school
30 or other public school operated for all students, not solely

1 eligible students, in a school district.

2 (37) "Special Education Plan." A comprehensive plan as well
3 as revisions, updates and amendments for all special education
4 personnel, programs, services and supports provided by each
5 school district for eligible students, filed by each district
6 with the Department of Education under this act and other
7 applicable Federal and State law.

8 (38) "Base Year." Fiscal year 2010-2011 or another year
9 designated by statute.

10 (39) "Special Education Allocation." The amount of special
11 education funding received by a school district from the
12 Commonwealth.

13 Section 3 26. The act is amended by adding sections to read: ←

14 Section 2509.13. Special Education Funding for Student
15 Achievement and Instruction of Eligible Students.--(a) (1) The
16 Department of Education shall set aside one percent (1%) of the
17 total State special education appropriation in each year for
18 extraordinary special education program expenses under section
19 2509.8. The department shall utilize the funds under section
20 2509.8(e) in order to meet, to the extent that funds are
21 available, extraordinary special education expenses not
22 anticipated through the special education funding formula.

23 School districts and charter and cyber charter schools may apply
24 for resources through the fund under procedures established by
25 the department. The department shall make payments from the fund
26 in response to the applications.

27 (2) The Department of Education shall issue a comprehensive
28 annual report documenting use of the fund to the General
29 Assembly and shall ~~give~~ PROVIDE public notice about ACCESS TO ←
30 the report.

1 (3) As used in this subsection, "extraordinary special
2 education expenses" shall mean expenses that result from needs
3 and circumstances of an eligible student with significant
4 disabilities which are not ordinarily present in a typical
5 special education service and program delivery system and which
6 have costs exceeding the school district or charter or cyber
7 charter school funding for special education, in order to
8 provide the student with an appropriate education in the least
9 restrictive environment.

10 (b) (1) To the extent that funds are appropriated any year
11 by the General Assembly, the Department of Education shall
12 establish and implement a competitive grant program for school
13 districts, charter schools and cyber charter schools meeting the
14 following criteria:

15 (i) Providing instruction within the regular classroom at
16 least eighty percent (80%) of the school day for at least sixty-
17 five percent (65%) of eligible students, as averaged for the two
18 (2) most recent school years for which data are available or
19 increasing the number of eligible students receiving instruction
20 within the regular classroom by at least fifteen percent (15%)
21 in the most recent school year for which data are available.

22 (ii) In the most recent school year for which data are
23 available, performance by eligible students on State academic
24 assessments in reading and math, averaged for the entire
25 district, meeting State standards for adequate yearly progress
26 by any method approved by the Federal and State governments,
27 such as meeting the annual target, the confidence interval, the
28 safe harbor target or by appeal.

29 (iii) Implementing programs or services that serve as a
30 model of excellence for meeting high standards for inclusion and

1 student achievement through quality special education.

2 (2) The Department of Education shall develop guidelines for
3 the administration of the grant program established under this
4 subsection, which shall be allocated to school districts,
5 charter schools and cyber charter schools on a competitive
6 basis.

7 (3) The Department of Education shall issue an annual report
8 to the General Assembly documenting use of the grants issued
9 under paragraph (1) and shall ~~give~~ PROVIDE public notice about ←
10 ACCESS TO the report. ←

11 (4) Nothing under paragraph (1) or any other provision of
12 this act shall alter Federal or State law regarding the
13 protections provided to an eligible student for receiving
14 education in the least restrictive environment or shall alter
15 the legal authority of individualized education program teams to
16 make appropriate program and placement decisions for eligible
17 students in accordance with the individualized education program
18 developed for each eligible student.

19 Section 2509.14. Special Education Funding for Eligible
20 Students with Disabilities in COST Category 3.--(a) For the ←
21 2014-2015 school year and each school year thereafter, the
22 Department of Education shall set aside an amount not less than
23 one percent (1%) of the State special education appropriation
24 above the level of the appropriation in the base year. The
25 Department of Education shall distribute this amount as provided
26 in subsection (b).

27 (b) For the 2014-2015 school year and each school year
28 thereafter, each school district in this Commonwealth shall
29 receive a pro rata share of the amount set aside under
30 subsection (a) based upon the number of eligible students

1 residing or enrolled in each school district and classified in
2 COST Category 3 during the immediately preceding school year.



3 (c) The funding provided under this section shall be
4 accounted for as part of actual special education spending and
5 as part of the special education allocation received by a school
6 district, according to the definitions in section 2501. School
7 districts shall also account for the funding provided under this
8 section and the resulting services and supports for eligible
9 students through the special education plans, revisions, updates
10 and amendments required by section 2509.15.

11 Section 2509.15. Special Education Accountability.--(a) (1)
12 The Department of Education shall determine the form and manner
13 in which school districts shall submit a special education plan
14 and revisions, updates and amendments to the special education
15 plan under this section. The special education plan shall be
16 consistent with other existing plans and reports required by the
17 department to the greatest extent possible. Special education
18 plans shall be written in a manner that is easy to use and
19 understand by parents and the public, including a general
20 summary.

21 (2) The Department of Education shall:

22 (i) review the special education plans and revisions,
23 updates and amendments;

24 (ii) provide recommendations and technical assistance to
25 school districts;

26 (iii) approve or disapprove the plan within ninety (90)
27 calendar days of receipt;

28 (iv) provide a written explanation when disapproving a plan;
29 and

30 (v) provide guidance related to plan resubmission.

1 (3) The Department of Education shall approve a special
2 education plan and revisions, updates and amendments that in the
3 determination of the department:

4 (i) meet the requirements of this section;

5 (ii) address the academic and developmental challenges for
6 eligible students identified in the school district's most
7 recent student achievement results and pursuant to performance
8 indicators;

9 (iii) describe programs and strategies that are most likely
10 to improve student outcomes in the school district; and

11 (iv) describe policies of the school district to ensure that
12 a student identified as having a disability is no longer
13 identified as such if the student no longer qualifies under 22
14 Pa. Code Ch. 14 (relating to special education services and
15 programs), or any successor regulation.

16 (4) Upon disapproving a school district's special education
17 plan, update or revision submitted under this section, the
18 Department of Education may withhold the portion of the annual
19 State increase in special education funding which exceeds the
20 index until a written special education plan, update or revision
21 is approved.

22 (5) The Secretary of Education shall involve as appropriate
23 in special education monitoring, support, intervention,
24 technical assistance and special education plan review by the
25 Department of Education, the staff in relevant offices, bureaus
26 and divisions of the department, as well as any other resources
27 as appropriate.

28 (b) (1) Pursuant to the timetable set forth in section 218,
29 each school district receiving an increase in its State special
30 education funding allocation of more than the index shall update

1 its special education plan by attaching the district's special
2 education expenditures as reported on the annual financial
3 reports and shall submit the updates and revisions to the
4 Department of Education for approval under subsection (a). The
5 department shall allow a district to meet the requirements of
6 this section by adding the information as an appendix to the
7 existing plan.

8 (2) School districts shall use State funds for programs and
9 supports that expressly benefit eligible students educated in
10 the least restrictive environment in accordance with Federal and
11 State law and contribute to achievement of performance
12 indicators.

13 (3) The Department of Education shall identify resources for
14 programs and supports that benefit eligible students and
15 contribute to achievement of performance indicators and address
16 the following areas or related areas:

17 (i) curricula adaptation;

18 (ii) coteaching;

19 (iii) assistive technology;

20 (iv) school-wide positive behavior supports;

21 (v) supplementary aids and services;

22 (vi) professional development;

23 (vii) reading services and supports;

24 (viii) caseload management for special education teachers
25 and related services personnel; and

26 (ix) placing and serving eligible students in regular
27 classrooms with supports in accordance with the individualized
28 education program developed for each eligible student.

29 (4) The Department of Education shall make the resources
30 identified in paragraph (3) available to all educational

1 entities in this Commonwealth.

2 (c) Accountability for the effective use of resources to
3 meet student needs shall also be provided in the following ways:

4 (1) The Department of Education shall issue to the General
5 Assembly a comprehensive annual report on special education
6 funding, special education plans, the implementation of 22 Pa.
7 Code § 14.104 (relating to special education plans) and other
8 special education accountability issues for public school
9 entities serving eligible students and this Commonwealth.

10 (2) Upon disapproving a school district's special education
11 plan, update or revision, the Department of Education may
12 withhold the portion of the annual State increase in special
13 education funding which exceeds the index until a written
14 special education plan, update or revision is approved.

15 (3) (i) The Department of Education shall:

16 (A) review and monitor implementation of all special
17 education plans, such as compliance with subsection (b) and 22
18 Pa. Code § 14.104;

19 (B) provide support, intervention and technical assistance
20 in school districts failing to meet student needs based on
21 performance indicators or failing to comply with subsection (b);

22 (C) post on its Internet website each school district's
23 progress on meeting student needs based on performance
24 indicators; and

25 (D) determine whether to withhold up to five percent (5%) of
26 all State special education funding for school districts
27 identified under this clause while the identified problems
28 remain unresolved.

29 (ii) If the Department of Education determines that a school
30 district is making substantial progress toward resolving the

1 identified problems, it shall restore the withheld funding
2 retroactively and continue to monitor the district for an
3 additional two (2) years.

4 (4) (i) To discourage the inappropriate over-identification
5 of children for special education, the Department of Education
6 shall automatically conduct a thorough review of the special
7 education plan of any school district with a substantially
8 higher ratio of eligible students in the district to its average
9 daily membership for all students than the State average, as
10 established by the department and of any district where the
11 ratio of eligible students in the school district to its average
12 daily membership for all students in the most recent school year
13 for which data is available has increased by more than ten
14 percent (10%) over the previous year or of any district where
15 the ratio has increased by an annual average of more than five
16 percent (5%) during the most recent five-year period. The
17 Department of Education may take remedial action, including
18 withholding up to five percent (5%) of all State special
19 education funding, if the Department of Education determines
20 that a school district has over-identified a student CHILDREN ←
21 FOR SPECIAL EDUCATION.

22 (ii) Nothing in this paragraph or any other provision of
23 this act shall be construed to alter Federal or State law
24 regarding the protections provided to an eligible student for
25 receiving education in the least restrictive environment or
26 alter the legal authority of individualized education program
27 teams to make appropriate program and placement decisions for
28 eligible students in accordance with the individualized
29 education program developed for each eligible student.

30 (d) In rendering a decision or determining remedial action

1 under this section, the Department of Education shall consider
2 extraordinary circumstances which a school district subject to
3 review is experiencing, including a substantial reduction in
4 Federal or State funds or other factors beyond the control of
5 the school district. The Department of Education shall issue to
6 any affected school district a notice specifying the
7 department's decisions and actions under this section and the
8 rationale for the decisions and actions. A school district may
9 file a written response to the department about the department's
10 decisions and actions regarding the district made under this
11 section. The written response must be submitted to the
12 department within thirty (30) calendar days of the department's
13 notice or within thirty (30) calendar days of receiving the
14 notice, whichever is greater. The department shall consider the
15 written response, consult with the school district and, within
16 thirty (30) calendar days after receiving the written response,
17 issue a written decision addressing the concerns and claims made
18 in the written response, explaining the judgment of the
19 department in response to these concerns and claims, and
20 specifying the opportunity to appeal this matter to the
21 Secretary of Education for a hearing under 2 Pa.C.S. Chs. 5
22 Subch. A (relating to practice and procedure of Commonwealth
23 agencies) and 7 Subch. A (relating to judicial review of
24 Commonwealth agency action) and 1 Pa. Code Pt. II (relating to
25 general rules of administrative practice and procedure). If
26 requested, the Secretary of Education shall convene a hearing
27 within thirty (30) calendar days after receipt of a school
28 district's hearing request. The Secretary of Education shall
29 render a written hearing decision within thirty (30) calendar
30 days following the hearing.

1 (e) The Department of Education shall ~~give~~ PROVIDE public ←
2 ~~notice of~~ ACCESS TO the decisions, actions and reports made ←
3 under this section.

4 (f) Nothing under this section shall supersede or preempt
5 any provisions of a collective bargaining agreement between a
6 school entity and an employe organization in effect on the
7 effective date of this section.

8 (g) The requirements of this section shall be waived until
9 the General Assembly appropriates special education funding
10 above the amount of special education funding in the base year
11 and on the effective date of the appropriation the requirements
12 of this section shall apply for that school year and for each
13 school year thereafter.

14 Section 2509.16. Data Collection.--Using existing resources
15 and data systems as well as nationally accepted accounting and
16 modeling standards, the Department of Education shall collect
17 data necessary for accurate functioning of a special education
18 formula developed under section ~~120~~ 122, including, but not ←
19 limited to, data necessary for the calculations related to COST ←
20 Category 1, COST Category 2 and COST Category 3 as part of the ←
21 formula developed by the commission. The Department of Education
22 shall begin collecting such data upon the effective date of this
23 section.

24 Section 2509.17. Protections.--Nothing under the provisions
25 of this act shall alter Federal or State law regarding the
26 protections provided to an eligible student for receiving
27 education in the least restrictive environment or shall alter
28 the legal authority of individualized education program teams to
29 make appropriate program and placement decisions for eligible
30 students in accordance with the individualized education program

1 developed for each eligible student.

2 SECTION 27. (RESERVED). ←

3 Section ~~4~~ 28. The Secretary of Education shall propose ←
4 regulations for promulgation by the State Board of Education
5 which implement the amendment or addition of the following
6 provisions of the act:

7 (1) Section ~~120~~ 122. ←

8 (2) Section 2501(26), (31), (32), (33), (34), (35),
9 (36), (37), (38) and (39).

10 (3) Section 2509.13.

11 (4) Section 2509.14.

12 (5) Section 2509.15.

13 (6) Section 2509.16.

14 (7) Section 2509.17.

15 ~~Section 5. The addition of sections 1732 A(a) (8) and 1749- ←~~
16 ~~A(a) (7) of the act shall be retroactive to January 1, 2009.~~

17 ~~Section 6. This act shall take effect as follows:~~

18 ~~(1) The amendment or addition of the following ←~~
19 ~~provisions of the act shall take effect in 60 days:~~

20 ~~(i) Section 501.~~

21 ~~(ii) Section 1525.~~

22 ~~(iii) Section 1602 B.~~

23 ~~(iv) Section 1613 B(c).~~

24 ~~(v) Section 1703 A.~~

25 ~~(vi) Section 1715 A.~~

26 ~~(vii) Section 1716 A(b.1), (b.2), (b.3), (c), (d) ←~~
27 ~~and (e).~~

28 ~~(viii) (Reserved).~~

29 ~~(ix) Section 1717 A.~~

30 ~~(x) Section 1718 A.~~

- 1 ~~(xi) Section 1719 A.~~
2 ~~(xii) Section 1720 A.~~
3 ~~(xiii) Section 1721 A.~~
4 ~~(xiv) Section 1722 A.~~
5 ~~(xv) Section 1723 A(a) and (d).~~
6 ~~(xvi) Section 1725 A.~~
7 ~~(xvii) Section 1727 A.~~
8 ~~(xviii) Section 1728 A.~~
9 ~~(xix) Section 1729 A.~~
10 ~~(xx) Section 1732 A.~~
11 ~~(xxi) Section 1733 A.~~
12 ~~(xxii) Section 1734 A.~~
13 ~~(xxiii) Section 1741 A.~~
14 ~~(xxiv) Section 1742 A.~~
15 ~~(xxv) Section 1743 A(b), (f), (g) and (h).~~
16 ~~(xxvi) Section 1745 A(b.1), (d), (e), (f), (g) and~~
17 ~~(h).~~
18 ~~(xxvii) Section 1746 A.~~
19 ~~(xxviii) Section 1749 A(a).~~
20 ~~(xxix) Section 1750 A.~~
21 ~~(xxx) Section 1751 A.~~

22 ~~(2) The remainder of this act shall take effect~~
23 ~~immediately.~~

24 SECTION 29. FROM FUNDS APPROPRIATED TO THE DEPARTMENT OF ←
25 EDUCATION FOR REGIONAL COMMUNITY COLLEGE SERVICES UNDER SECTION
26 213 OF THE ACT OF JUNE 30, 2012 (P.L. , NO.9-A), KNOWN AS THE
27 GENERAL APPROPRIATION ACT OF 2012, \$500,000 SHALL BE DISTRIBUTED
28 TO A COMMUNITY COLLEGE IN A COUNTY OF THE FOURTH CLASS WITH A
29 POPULATION, BASED ON THE MOST RECENT FEDERAL DECENNIAL CENSUS,
30 OF AT LEAST 175,000 BUT NOT MORE THAN 190,000.

1 SECTION 30. REPEALS ARE AS FOLLOWS:

2 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
3 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE PROVISIONS OF
4 THIS ACT.

5 (2) SECTION 1722-F(2) OF THE ACT OF APRIL 9, 1929
6 (P.L.343, NO.176), ENTITLED "AN ACT RELATING TO THE FINANCES
7 OF THE STATE GOVERNMENT; PROVIDING FOR THE SETTLEMENT,
8 ASSESSMENT, COLLECTION, AND LIEN OF TAXES, BONUS, AND ALL
9 OTHER ACCOUNTS DUE THE COMMONWEALTH, THE COLLECTION AND
10 RECOVERY OF FEES AND OTHER MONEY OR PROPERTY DUE OR BELONGING
11 TO THE COMMONWEALTH, OR ANY AGENCY THEREOF, INCLUDING
12 ESCHEATED PROPERTY AND THE PROCEEDS OF ITS SALE, THE CUSTODY
13 AND DISBURSEMENT OR OTHER DISPOSITION OF FUNDS AND SECURITIES
14 BELONGING TO OR IN THE POSSESSION OF THE COMMONWEALTH, AND
15 THE SETTLEMENT OF CLAIMS AGAINST THE COMMONWEALTH, THE
16 RESETTLEMENT OF ACCOUNTS AND APPEALS TO THE COURTS, REFUNDS
17 OF MONEYS ERRONEOUSLY PAID TO THE COMMONWEALTH, AUDITING THE
18 ACCOUNTS OF THE COMMONWEALTH AND ALL AGENCIES THEREOF, OF ALL
19 PUBLIC OFFICERS COLLECTING MONEYS PAYABLE TO THE
20 COMMONWEALTH, OR ANY AGENCY THEREOF, AND ALL RECEIPTS OF
21 APPROPRIATIONS FROM THE COMMONWEALTH, AUTHORIZING THE
22 COMMONWEALTH TO ISSUE TAX ANTICIPATION NOTES TO DEFRAY
23 CURRENT EXPENSES, IMPLEMENTING THE PROVISIONS OF SECTION 7(A)
24 OF ARTICLE VIII OF THE CONSTITUTION OF PENNSYLVANIA
25 AUTHORIZING AND RESTRICTING THE INCURRING OF CERTAIN DEBT AND
26 IMPOSING PENALTIES; AFFECTING EVERY DEPARTMENT, BOARD,
27 COMMISSION, AND OFFICER OF THE STATE GOVERNMENT, EVERY
28 POLITICAL SUBDIVISION OF THE STATE, AND CERTAIN OFFICERS OF
29 SUCH SUBDIVISIONS, EVERY PERSON, ASSOCIATION, AND CORPORATION
30 REQUIRED TO PAY, ASSESS, OR COLLECT TAXES, OR TO MAKE RETURNS

1 OR REPORTS UNDER THE LAWS IMPOSING TAXES FOR STATE PURPOSES,
2 OR TO PAY LICENSE FEES OR OTHER MONEYS TO THE COMMONWEALTH,
3 OR ANY AGENCY THEREOF, EVERY STATE DEPOSITORY AND EVERY
4 DEBTOR OR CREDITOR OF THE COMMONWEALTH," IS REPEALED.

5 SECTION 31. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

6 (1) THE AMENDMENT OR ADDITION OF THE FOLLOWING
7 PROVISIONS OF THE ACT SHALL TAKE EFFECT IMMEDIATELY:

8 (I) SECTION 122.

9 (II) SECTION 1704-A.

10 (III) SECTION 1717-A(I).

11 (IV) SECTION 1729.2-A.

12 (V) SECTION 2501.

13 (VI) SECTION 2509.13.

14 (VII) SECTION 2509.14.

15 (VIII) SECTION 2509.15.

16 (IX) SECTION 2509.16.

17 (X) SECTION 2509.17.

18 (2) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

19 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
20 DAYS.