

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 97 Session of  
2017

INTRODUCED BY REESE, DUNBAR, HICKERNELL, IRVIN, MILLARD,  
SACCONE, TOPPER, GROVE, FEE, SAYLOR, STAATS AND A. HARRIS,  
APRIL 10, 2017

SENATOR EICHELBERGER, EDUCATION, IN SENATE, AS AMENDED,  
JUNE 28, 2017

## 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, providing  
6 for advertising; in pupils and attendance, providing for  
7 transfer of attendance records to another school entity or  
8 nonpublic school; in terms and courses of study, further  
9 providing for agreements with institutions of higher  
10 education; in opportunities for educational excellence,  
11 further providing for definitions, for responsibilities of  
12 school entities and for concurrent enrollment agreements;  
13 and, in charter schools, extensively revising and adding  
14 charter school provisions AND ESTABLISHING THE CHARTER SCHOOL <--  
15 FUNDING ADVISORY COMMISSION.

16 The General Assembly of the Commonwealth of Pennsylvania  
17 hereby enacts as follows:

18 Section 1. The act of March 10, 1949 (P.L.30, No.14), known  
19 as the Public School Code of 1949, is amended by adding sections  
20 to read:

21 Section 126. Advertising.--(a) A paid media advertisement  
22 by a public school entity that refers to the cost of tuition or  
23 transportation shall not advertise those expenses as free and OR <--

1 any reference to tuition or transportation costs must stipulate <--  
2 STATE CLEARLY AND AUDIBLY, WHERE APPLICABLE, that the cost is <--  
3 covered by taxpayer dollars. A paid media advertisement shall  
4 include a television, radio or movie theater advertisement,  
5 billboard, bus poster, newspaper, magazine, a publicly  
6 accessible Internet website or any other commercial method that  
7 may promote enrollment in a public school entity.

8 (b) For the purposes of this section, "public school entity"  
9 shall mean a public school district, charter school, cyber  
10 charter school, regional charter school, intermediate unit or  
11 area vocational-technical school.

12 Section 1313.2. Transfer of Attendance Records to Another  
13 School Entity or Nonpublic School.--(a) (1) Whenever a student  
14 transfers to another school entity or nonpublic school within  
15 this Commonwealth, a ~~certified~~ copy of the student's attendance <--  
16 record shall be transmitted to the school entity or nonpublic  
17 school to which the student has transferred.

18 (2) The school entity or nonpublic school to which the  
19 student has transferred shall request the attendance record.

20 (3) The sending school entity or nonpublic school shall have  
21 ten (10) days from the receipt of the request to provide a  
22 ~~certified~~ copy of the student's attendance record. <--

23 (b) In the case of a student transferring during the course  
24 of a school term, the student's unexcused absences shall be  
25 included in the student's attendance record at the school entity  
26 or nonpublic school to which the student has transferred for  
27 that school term.

28 (c) For purposes of this section, the term "school entity"  
29 means a public school district, charter school, cyber charter  
30 school, regional charter school, intermediate unit or area

1 vocational-technical school.

2 Section 1.1. Section 1525 of the act is amended to read:

3 Section 1525. Agreements with Institutions of Higher  
4 Education.--Notwithstanding any other provision of law to the  
5 contrary, a school district, charter school, regional charter  
6 school, cyber charter school or area vocational-technical school  
7 may enter into an agreement with one or more institutions of  
8 higher education approved to operate in this Commonwealth in  
9 order to allow [resident] students to attend such institutions  
10 of higher education while the [resident] students are enrolled  
11 in the school district, charter school, regional charter school,  
12 cyber charter school or area vocational-technical school. The  
13 agreement may be structured so that high school students may  
14 receive credits toward completion of courses at the school  
15 district, charter school, regional charter school, cyber charter  
16 school or area vocational-technical school and at institutions  
17 of higher education approved to operate in this Commonwealth.

18 Section 2. The definitions of "concurrent student" and  
19 "school entity" in section 1602-B of the act are amended to  
20 read:

21 Section 1602-B. Definitions.

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

25 \* \* \*

26 "Concurrent student." A student who is enrolled in a school  
27 district, a charter school, a regional charter school, a cyber  
28 charter school, an area vocational-technical school, a nonpublic  
29 school, a private school or a home education program under  
30 section 1327.1 and who takes a concurrent course through a

1 concurrent enrollment program.

2 \* \* \*

3 "School entity." A school district, a charter school, a  
4 regional charter school, a cyber charter school or an area  
5 vocational-technical school.

6 \* \* \*

7 Section 3. Sections 1611-B and 1613-B of the act are amended  
8 by adding subsections to read:

9 Section 1611-B. Responsibilities of school entities.

10 \* \* \*

11 (g) Revenue received by school district.--Notwithstanding  
12 any provision of law to the contrary, the revenues received by a  
13 school district under section 1603-B shall not be included in  
14 the school district's budgeted total expenditure per average  
15 daily membership used to calculate the amount to be paid to a  
16 charter school entity under section 1725-A(a) (2) and (3).

17 Section 1613-B. Concurrent enrollment agreements.

18 \* \* \*

19 (c) Charter schools, regional charter schools and cyber  
20 charter schools.--Charter schools, regional charter schools and  
21 cyber charter schools shall have the power and authority to  
22 enter into a concurrent enrollment agreement with an institution  
23 of higher education, and appropriate credit shall be awarded to  
24 students concurrently enrolled under the agreement.

25 Section 4. Section 1703-A of the act, amended July 13, 2016  
26 (P.L.716, No.86), is amended to read:

27 Section 1703-A. Definitions.--As used in this article,

28 "Administrator" shall include an employe of a charter school  
29 entity, including the chief administrator of a charter school  
30 entity and any other employe, who by virtue of the employe's

1 position is responsible for taking official action of a  
2 nonministerial nature with regard to contracting or procurement,  
3 administering or monitoring grants or subsidies, managing or  
4 regulating staff, student and school activities or any activity  
5 where the official action has an economic impact of greater than  
6 a de minimis nature on the interests of any person.

7 "Aid ratio" and "market value/income aid ratio" shall be:

8 (1) the aid ratio and market value/income aid ratio for the  
9 school district that granted a charter to the charter school;

10 (2) for a regional charter school, the aid ratio and market  
11 value/income aid ratio shall be a composite, as determined by  
12 the department, based on the school districts that granted the  
13 charter; or

14 (3) for a cyber charter school, the aid ratio and market  
15 value/income aid ratio shall be that of the school district in  
16 which the administrative offices of the cyber charter school are  
17 located.

18 "Appeal board" shall mean the State Charter School Appeal  
19 Board established by this article.

20 "Assessment" shall mean the Pennsylvania System of School  
21 Assessment test, the Keystone Exam or another test established  
22 or approved by the State board or the General Assembly to meet  
23 the requirements of section 2603-B or 2604-B or 22 Pa. Code §  
24 4.51 (relating to State assessment system) or required under the  
25 Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802)  
26 or its successor Federal statute.

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

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

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

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

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

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

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

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

1 Internet or other electronic means. A cyber charter school must  
2 be organized as a public, nonprofit corporation. A charter may  
3 not be granted to a for-profit entity.

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

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

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

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

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

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

28 "School district of residence" shall mean the school district  
29 in this Commonwealth in which [the parents or guardians of a  
30 child reside] a child resides as determined under section 1302

1 and 22 Pa. Code § 11.11(a)(1) (relating to entitlement of  
2 resident children to attend public schools).

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

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

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

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

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

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

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

28 ~~(b) The commission shall consist of the following members:~~

29 ~~(1) Two members of the Senate from the majority party~~  
30 ~~appointed by the President pro tempore of the Senate, in~~

1 ~~consultation with the Majority Leader of the Senate, one of whom~~  
2 ~~shall be the chairman of the Education Committee of the Senate.~~

3 ~~(2) Two members of the Senate from the minority party~~  
4 ~~appointed by the Minority Leader of the Senate, one of whom~~  
5 ~~shall be the minority chairman of the Education Committee of the~~  
6 ~~Senate.~~

7 ~~(3) Two members of the House of Representatives from the~~  
8 ~~majority party appointed by the Speaker of the House of~~  
9 ~~Representatives, in consultation with the Majority Leader of the~~  
10 ~~House of Representatives, one of whom shall be the chairman of~~  
11 ~~the Education Committee of the House of Representatives.~~

12 ~~(4) Two members of the House of Representatives from the~~  
13 ~~minority party appointed by the Minority Leader of the House of~~  
14 ~~Representatives, one of whom shall be the minority chairman of~~  
15 ~~the Education Committee of the House of Representatives.~~

16 ~~(5) The secretary or a designee.~~

17 ~~(6) An at large member chosen by the Governor, the President~~  
18 ~~pro tempore of the Senate and the Speaker of the House of~~  
19 ~~Representatives.~~

20 ~~(7) To represent the interests of charter school entities,~~  
21 ~~the following members, who shall be appointed by the secretary~~  
22 ~~from a list provided by the Pennsylvania Coalition of Public~~  
23 ~~Charter Schools and the Keystone Alliance:~~

24 ~~(i) One member who shall be a business manager of a charter~~  
25 ~~school.~~

26 ~~(ii) One member who shall be a business manager of a cyber~~  
27 ~~charter school.~~

28 ~~(8) To represent the interests of school districts, the~~  
29 ~~following members, who shall be appointed by the secretary from~~  
30 ~~a list provided by the Pennsylvania Association of School~~

1 Business Officials:

2 ~~(i) One member who shall be a business manager of a rural~~  
3 ~~school district.~~

4 ~~(ii) One member who shall be a business manager of an urban~~  
5 ~~school district.~~

6 ~~(c) Members of the commission shall be appointed within~~  
7 ~~thirty (30) days of the effective date of this section. Any~~  
8 ~~vacancy on the commission shall be filled by the original~~  
9 ~~appointing authority. The commission shall be co chaired by the~~  
10 ~~chairman of the Education Committee of the Senate and chairman~~  
11 ~~of the Education Committee of the House of Representatives. The~~  
12 ~~organizational meeting shall take place not later than sixty~~  
13 ~~(60) days following the effective date of this section.~~

14 ~~(d) The commission shall hold meetings at the call of the~~  
15 ~~chairmen. The commission shall hold six or more public hearings~~  
16 ~~on the matters to be considered by the commission. All meetings~~  
17 ~~and public hearings of the commission shall be deemed public~~  
18 ~~meetings for the purpose of 65 Pa.C.S. Ch. 7 (relating to open~~  
19 ~~meetings). Eight members of the commission shall constitute a~~  
20 ~~quorum at any meeting. Each member of the commission may~~  
21 ~~designate another person to represent that member at meetings of~~  
22 ~~the commission.~~

23 ~~(e) Commission members shall receive no compensation for~~  
24 ~~their services but shall be reimbursed by the department for all~~  
25 ~~necessary travel and other reasonable expenses incurred in~~  
26 ~~connection with the performance of their duties as members.~~  
27 ~~Whenever possible, the commission shall utilize the services and~~  
28 ~~expertise of existing personnel and staff of State government.~~

29 ~~(f) The commission shall have the following powers and~~  
30 ~~duties:~~

1 ~~(1) Meet with current charter school entity operators and~~  
2 ~~personnel, school district personnel and other representatives~~  
3 ~~of public education.~~

4 ~~(2) Review charter school entity financing laws in operation~~  
5 ~~throughout the United States.~~

6 ~~(3) Assess the actual cost of educating a child in a cyber~~  
7 ~~charter school.~~

8 ~~(4) Evaluate and make recommendations on the following:~~

9 ~~(i) Consideration of establishing an independent State level~~  
10 ~~board, or multiple entities, to authorize charter school~~  
11 ~~entities and support charter school quality and accountability~~  
12 ~~through performance monitoring and technical assistance.~~

13 ~~(ii) The process by which charter school entities are funded~~  
14 ~~under section 1725 A, including addressing potential funding~~  
15 ~~inequities, to include consideration of continuing the school~~  
16 ~~district deductions for tax assessment and collection services,~~  
17 ~~thirty per centum of operation and maintenance of plant services~~  
18 ~~and the actual total amount the district of residence paid to~~  
19 ~~cyber charter schools under section 1725 A for the prior school~~  
20 ~~year.~~

21 ~~(iii) Appropriate funding for charter school entity~~  
22 ~~facilities and management.~~

23 ~~(iv) A process by which the performance matrix established~~  
24 ~~under section 1731.2 A shall compare the academic performance of~~  
25 ~~each charter school entity with the academic performance of the~~  
26 ~~school district of residence of each student enrolled in the~~  
27 ~~charter school entity.~~

28 ~~(v) Special education transportation.~~

29 ~~(vi) Other funding issues raised in the course of public~~  
30 ~~hearings.~~

1 ~~(vii) Consideration of a school district deduction for~~  
2 ~~programs and services to the extent they are funded from the~~  
3 ~~proceeds of competitive grants from private or public resources~~  
4 ~~or from contributions or donations from private sources.~~

5 ~~(viii) The appropriate manner of funding a charter school~~  
6 ~~that primarily serves adjudicated youth.~~

7 ~~(ix) Funding of and all costs associated with athletic~~  
8 ~~programs.~~

9 ~~(x) Consideration of a method by which a local board of~~  
10 ~~school directors, when considering a charter application, may~~  
11 ~~review whether charter school entities are sufficiently~~  
12 ~~distributed throughout a school district while also ensuring~~  
13 ~~that a charter application is not denied on the basis of~~  
14 ~~geographic location.~~

15 ~~(xi) Consideration of the appropriate manner of implementing~~  
16 ~~the recommendations of the Special Education Funding Commission~~  
17 ~~with respect to charter school entities, based on the manner in~~  
18 ~~which the commission's recommendations have been implemented for~~  
19 ~~school districts.~~

20 ~~(5) Issue a report pursuant to subsection (g).~~

21 ~~(g) The commission shall, no later than twelve (12) months~~  
22 ~~from the effective date of this section, issue a report of its~~  
23 ~~findings and recommendations to the Governor, the President pro~~  
24 ~~tempore of the Senate, the Majority Leader of the Senate, the~~  
25 ~~Minority Leader of the Senate, the chairman and minority~~  
26 ~~chairman of the Appropriations Committee of the Senate, the~~  
27 ~~chairman and minority chairman of the Education Committee of the~~  
28 ~~Senate, the Speaker of the House of Representatives, the~~  
29 ~~Majority Leader of the House of Representatives, the Minority~~  
30 ~~Leader of the House of Representatives, the chairman and~~

~~1 minority chairman of the Appropriations Committee of the House  
2 of Representatives and the chairman and minority chairman of the  
3 Education Committee of the House of Representatives. The  
4 recommendations of the commission shall not take effect unless  
5 the recommendations are approved by an act of the General  
6 Assembly enacted after the effective date of this section.~~

7 SECTION 1704-A. CHARTER SCHOOL FUNDING ADVISORY <--

8 COMMISSION.--(A) THE CHARTER SCHOOL FUNDING ADVISORY COMMISSION  
9 IS ESTABLISHED.

10 (B) THE COMMISSION SHALL EXAMINE ALL CURRENT LAWS,  
11 REGULATIONS AND EXECUTIVE POLICY STATEMENTS WHICH DETERMINE  
12 FUNDING FOR CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER  
13 CHARTER SCHOOLS IN THIS COMMONWEALTH.

14 (C) THE COMMISSION SHALL CONSIST OF THE FOLLOWING:

15 (1) THE SECRETARY OR A DESIGNEE.

16 (2) ONE MEMBER APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE  
17 SENATE.

18 (3) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE  
19 SENATE.

20 (4) ONE MEMBER APPOINTED BY THE SPEAKER OF THE HOUSE OF  
21 REPRESENTATIVES.

22 (5) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE HOUSE  
23 OF REPRESENTATIVES.

24 (6) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE  
25 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRPERSON AND  
26 MINORITY CHAIRPERSON OF THE APPROPRIATIONS COMMITTEE OF THE  
27 HOUSE OF REPRESENTATIVES.

28 (7) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE  
29 EDUCATION COMMITTEE OF THE SENATE AND THE CHAIRPERSON AND  
30 MINORITY CHAIRPERSON OF THE EDUCATION COMMITTEE OF THE HOUSE OF

1 REPRESENTATIVES.

2 (8) ONE MEMBER JOINTLY APPOINTED BY THE PRESIDENT PRO  
3 TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF  
4 REPRESENTATIVES.

5 (D) THE COMMISSION SHALL HOLD ITS ORGANIZATIONAL MEETING NOT  
6 LATER THAN SIXTY (60) DAYS FOLLOWING THE EFFECTIVE DATE OF THIS  
7 SECTION. ALL MEMBERS SHALL BE APPOINTED WITHIN THIRTY (30) DAYS  
8 OF THE EFFECTIVE DATE OF THIS SECTION. ANY VACANCY ON THE  
9 COMMISSION SHALL BE FILLED BY THE ORIGINAL APPOINTING AUTHORITY.

10 (E) THE COMMISSION SHALL ELECT TWO COMMISSION CHAIRPERSONS,  
11 ONE FROM THE SENATE AND ONE FROM THE HOUSE OF REPRESENTATIVES.

12 (F) THE COMMISSION SHALL HOLD MEETINGS AT THE CALL OF THE  
13 CHAIRPERSONS. THE COMMISSION SHALL HOLD SIX (6) OR MORE PUBLIC  
14 HEARINGS ON THE MATTERS TO BE CONSIDERED BY THE COMMISSION. ALL  
15 MEETINGS AND PUBLIC HEARINGS OF THE COMMISSION SHALL BE DEEMED  
16 PUBLIC MEETINGS FOR THE PURPOSE OF 65 PA.C.S. CH. 7 (RELATING TO  
17 OPEN MEETINGS). SEVEN (7) MEMBERS OF THE COMMISSION SHALL  
18 CONSTITUTE A QUORUM AT ANY MEETING.

19 (G) THE COMMISSION MEMBERS SHALL RECEIVE NO COMPENSATION FOR  
20 THEIR SERVICES BUT SHALL BE REIMBURSED FOR ALL NECESSARY TRAVEL  
21 AND OTHER REASONABLE EXPENSES INCURRED IN CONNECTION WITH THE  
22 PERFORMANCE OF THEIR DUTIES AS MEMBERS.

23 (H) THE COMMISSION SHALL HAVE THE FOLLOWING POWERS AND  
24 DUTIES:

25 (1) TO MEET WITH CURRENT CHARTER SCHOOL ENTITY OPERATORS AND  
26 PERSONNEL, SCHOOL DISTRICT PERSONNEL AND OTHER REPRESENTATIVES  
27 OF PUBLIC EDUCATION.

28 (2) TO REVIEW CHARTER SCHOOL ENTITY FINANCING LAWS IN  
29 OPERATION THROUGHOUT THE UNITED STATES.

30 (3) TO ASSESS THE ACTUAL COST OF EDUCATING A CHILD IN A

1 CHARTER SCHOOL, A REGIONAL CHARTER SCHOOL, A CYBER CHARTER  
2 SCHOOL AND A SCHOOL DISTRICT OR INTERMEDIATE UNIT UTILIZING  
3 CYBER CLASSES.

4 (4) TO EVALUATE AND MAKE RECOMMENDATIONS ON THE FOLLOWING:

5 (I) THE PROCESS BY WHICH CHARTER SCHOOLS, REGIONAL CHARTER  
6 SCHOOLS AND CYBER CHARTER SCHOOLS ARE FUNDED.

7 (II) APPROPRIATE FUNDING FOR CHARTER SCHOOL, REGIONAL  
8 CHARTER SCHOOL AND CYBER CHARTER SCHOOL OPERATIONS.

9 (III) APPROPRIATE FUNDING FOR CHARTER SCHOOL, REGIONAL  
10 CHARTER SCHOOL AND CYBER CHARTER SCHOOL FACILITIES AND  
11 MANAGEMENT.

12 (IV) APPROPRIATE FUNDING FOR REGULAR AND SPECIAL EDUCATION  
13 TRANSPORTATION.

14 (V) OTHER FUNDING ISSUES RAISED IN THE COURSE OF PUBLIC  
15 HEARINGS.

16 (VI) THE APPROPRIATENESS OF A SCHOOL DISTRICT DEDUCTION FOR  
17 PROGRAMS AND SERVICES TO THE EXTENT THAT THEY ARE FUNDED FROM  
18 THE PROCEEDS OF COMPETITIVE GRANTS FROM PRIVATE OR PUBLIC  
19 RESOURCES OR FROM CONTRIBUTIONS OR DONATIONS FROM PRIVATE  
20 SOURCES.

21 (VII) THE APPROPRIATE MANNER OF FUNDING A CHARTER SCHOOL  
22 THAT PRIMARILY SERVES ADJUDICATED YOUTH.

23 (VIII) APPROPRIATE FUNDING FOR ATHLETIC PROGRAMS AND EXTRA-  
24 CURRICULAR ACTIVITIES OFFERED TO A STUDENT ENROLLED IN A CHARTER  
25 SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

26 (IX) THE APPROPRIATE MANNER OF IMPLEMENTING THE  
27 RECOMMENDATIONS OF THE SPECIAL EDUCATION FUNDING COMMISSION WITH  
28 RESPECT TO CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER  
29 CHARTER SCHOOLS.

30 (I) THE GENERAL ASSEMBLY SHALL PROVIDE ADMINISTRATIVE

1 SUPPORT, MEETING SPACE AND ANY OTHER ASSISTANCE REQUIRED BY THE  
2 COMMISSION TO CARRY OUT ITS DUTIES UNDER THIS SECTION. WHENEVER  
3 POSSIBLE, THE COMMISSION SHALL UTILIZE THE SERVICES AND  
4 EXPERTISE OF EXISTING PERSONNEL AND STAFF OF STATE GOVERNMENT.

5 (J) THE COMMISSION SHALL, NO LATER THAN EIGHTEEN (18) MONTHS  
6 FROM THE EFFECTIVE DATE OF THIS SECTION, ISSUE A REPORT OF ITS  
7 FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR, THE PRESIDENT PRO  
8 TEMPORE OF THE SENATE, THE MAJORITY LEADER OF THE SENATE, THE  
9 MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE HOUSE OF  
10 REPRESENTATIVES, THE MAJORITY LEADER OF THE HOUSE OF  
11 REPRESENTATIVES AND THE MINORITY LEADER OF THE HOUSE OF  
12 REPRESENTATIVES. THE RECOMMENDATIONS OF THE COMMISSION SHALL NOT  
13 TAKE EFFECT UNLESS THE RECOMMENDATIONS ARE APPROVED BY AN ACT OF  
14 THE GENERAL ASSEMBLY ENACTED AFTER THE EFFECTIVE DATE OF THIS  
15 SECTION.

16 (K) AS USED IN THIS SECTION, THE TERM "COMMISSION" MEANS THE  
17 CHARTER SCHOOL FUNDING ADVISORY COMMISSION.

18 Section 6. Section 1715-A of the act is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

28 (7.1) A cyber charter school shall only be subject to the  
29 laws and regulations as provided for in section 1749-A, or as  
30 otherwise provided for in this act.

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

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

14 (9.1) A cyber charter school may use in-person interaction,  
15 testing or instruction for students protected by the Individuals  
16 with Disabilities Education Act (Public Law 91-230, 20 U.S.C. §  
17 1400 et seq.) or section 504 of the Rehabilitation Act of 1973  
18 (Public Law 93-112, 29 U.S.C. § 794) for the amount of time that  
19 such services are required by the student's individualized  
20 education program or by the plan describing services provided to  
21 the student pursuant to section 504 of the Rehabilitation Act of  
22 1973.

23 (10) Boards of trustees and contractors of charter [schools]  
24 school entities shall be subject to the following statutory  
25 requirements governing construction projects and construction-  
26 related work:

27 (i) The following provisions of this act:

28 (A) Sections 751 and 751.1.

29 (B) Sections 756 and 757 insofar as they are consistent with  
30 the act of December 20, 1967 (P.L.869, No.385), known as the

1 "Public Works Contractors' Bond Law of 1967."

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

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

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

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

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

22 [(12) A person who serves as an administrator for a charter  
23 school shall not receive compensation from another charter  
24 school or from a company that provides management or other  
25 services to another charter school. The term "administrator"  
26 shall include the chief executive officer of a charter school  
27 and all other employees of a charter school who by virtue of  
28 their positions exercise management or operational oversight  
29 responsibilities. A person who serves as an administrator for a  
30 charter school shall be a public official under 65 Pa.C.S. Ch.

1 11 (relating to ethics standards and financial disclosure). A  
2 violation of this clause shall constitute a violation of 65  
3 Pa.C.S. § 1103(a) (relating to restricted activities), and the  
4 violator shall be subject to the penalties imposed under the  
5 jurisdiction of the State Ethics Commission.]

6 (b) An individual who serves as an administrator for a  
7 charter school entity shall be a public employe for the purposes  
8 of 65 Pa.C.S. Ch. 11 and shall file a statement of financial  
9 interests for the preceding calendar year with the board of  
10 trustees not later than May 1 of each year that the person holds  
11 the position and of the year after the person leaves the  
12 position.

13 (c) (1) No individual who serves as an administrator for a  
14 charter school entity may receive compensation from another  
15 charter school entity or from an educational management service  
16 provider, unless:

17 (i) The administrator has submitted a sworn statement to the  
18 board of trustees of the charter school entity and the sworn  
19 statement details the work for the other entity and includes the  
20 projected number of hours, rate of compensation and projected  
21 duration.

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

25 (2) A copy of the sworn statement under clause (1)(i) and  
26 the resolution by the board of trustees granting the permission  
27 under clause (1)(ii) shall be provided to, and kept on file  
28 with, the charter school entity and the local board of school  
29 directors or, in the case of a cyber charter school, the  
30 department.

1 (3) No administrator of a charter school entity or immediate  
2 family member of the administrator may serve as a voting member  
3 of the board of trustees of the charter school entity that  
4 employs the administrator.

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

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

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

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

19 Section 7. Section 1716-A(c) of the act is amended and the  
20 section is amended by adding subsections to read:

21 Section 1716-A. Powers of Board of Trustees.--\* \* \*

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

1 chartered by that board.

2 (2) An employe of the school district that chartered a  
3 charter school or regional charter school may serve as a member  
4 of the board of trustees of the charter school or regional  
5 charter school without voting privileges.

6 (b.2) (1) No member of the board of trustees of a charter  
7 school entity may participate in the selection, award or  
8 administration of any contract if the member has a conflict of  
9 interest as that term is defined in 65 Pa.C.S. § 1102 (relating  
10 to definitions).

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

17 (3) A member of the board of trustees of a charter school  
18 entity who knowingly violates this subsection commits a  
19 violation of 65 Pa.C.S. § 1103(a) and shall be subject to the  
20 penalties imposed under the jurisdiction of the State Ethics  
21 Commission.

22 (4) A contract made in violation of this subsection shall be  
23 voidable by a court of competent jurisdiction, if the suit is  
24 commenced within ninety (90) days of the ~~making of the contract~~ <--  
25 DISCOVERY OF THE VIOLATION. <--

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

28 (b.3) A member of the board of trustees of a charter school  
29 entity shall be automatically disqualified and immediately  
30 removed from the board of trustees upon conviction for an

1 offense graded as a felony, an infamous crime, an offense  
2 pertaining to fraud, theft or mismanagement of public funds, any  
3 offense pertaining to his official capacity as a member of the  
4 board of trustees or any crime involving moral turpitude.

5 (c) The board of trustees shall comply with [the act of July  
6 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65  
7 Pa.C.S. Ch. 7 (relating to open meetings).

8 (d) (1) (i) The board of trustees of a charter school  
9 entity shall consist of a minimum of five (5) nonrelated voting  
10 members.

11 (ii) If a charter school entity has fewer than five (5)  
12 nonrelated voting members serving on its board of trustees on  
13 the effective date of this subsection, the charter school entity  
14 shall, within sixty (60) days, appoint additional members to the  
15 board of trustees to meet the minimum requirements of this  
16 section.

17 (2) Within one (1) year of the effective date of this  
18 subsection, at least one member of the board of trustees of a  
19 charter school entity shall be a parent of a child currently  
20 attending the charter school entity. The board of trustees  
21 member provided for under this paragraph shall be eligible to  
22 serve only so long as the child attends the charter school  
23 entity. This paragraph shall not apply to a charter school that  
24 primarily serves adjudicated youth.

25 (e) (1) A majority of the voting members of the board of  
26 trustees shall constitute a quorum. If less than a majority is  
27 present at any meeting, no business may be transacted at the  
28 meeting.

29 (2) The affirmative vote of a majority of all the voting  
30 members of the board of trustees, duly recorded, shall be

1 required in order to take official action on the subjects  
2 enumerated under subsection (a).

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

4 Section 1716.1-A. Payment of Indebtedness by Charter School

5 Entities.--(a) ~~The board of trustees of a charter school entity~~<--

6 shall supply the secretary and, in the case of a charter school

7 or regional charter school, the local board of school directors

8 a list of the amount of rental payments which are guarantees for

9 school building debt or bonds that become due during the fiscal

10 year together with the amount paid on each item of indebtedness.

11 Any charter school entity that elects to issue new school

12 building debt or bonds shall hold in escrow an amount sufficient

13 to pay the annual amount of the sum of the principal maturing or

14 subject to mandatory redemption and interest owing by the

15 charter school entity or sinking fund deposit due by the charter

16 school entity.

17 ~~(b)~~ (1) (A) In any case where the board of trustees of a <--

18 charter school entity fails to pay or to provide for the payment

19 of:

20 ~~(i)~~ (1) any indebtedness at date of maturity or date of <--

21 mandatory redemption or on any sinking fund deposit date; or

22 ~~(ii)~~ (2) any interest due on such indebtedness on any <--

23 interest payment date or on any sinking fund deposit date in

24 accordance with the schedule under which the bonds were issued,

25 the bank or trustee for the bonds shall notify the board of

26 trustees of its obligation and shall immediately notify the

27 secretary and, in the case of a charter school or regional

28 charter school, the local board of school directors.

29 ~~(2)~~ (B) The secretary shall withhold any payment due the <--

30 charter school entity in any amount necessary to fully fund the

1 amount held in escrow DUE by the charter school entity which <--  
2 shall be equal to the sum of the principal amount maturing or  
3 subject to mandatory redemption and interest owing by the  
4 charter school entity or sinking fund deposit due by the charter  
5 school entity and shall require payover of the amount withheld  
6 to the bank or trustee acting as the sinking fund depository for  
7 the bond issue from the escrow account. IN NO EVENT SHALL THE <--  
8 DEPARTMENT WITHHOLD FUNDS FROM THE INCORPORATING SCHOOL  
9 DISTRICT.

10 Section 9. Sections 1717-A(c), (d), (e) and (f), 1719-A,  
11 1720-A and 1721-A(a) and (e) of the act are amended to read:

12 Section 1717-A. Establishment of Charter School.--\* \* \*

13 (c) An application to establish a charter school shall be  
14 submitted to the local board of school directors of the district  
15 where the charter school will be located by [November 15]  
16 October 1 of the school year preceding the school year in which  
17 the charter school will be established except that for a charter  
18 school beginning in the 1997-1998 school year, an application  
19 must be received by July 15, 1997. In the 1997-1998 school year  
20 only, applications shall be limited to recipients of fiscal year  
21 1996-1997 Department of Education charter school planning  
22 grants.

23 (d) Within forty-five (45) days of receipt of an  
24 application, the local board of school directors in which the  
25 proposed charter school is to be located shall hold at least one  
26 public hearing on the provisions of the charter application,  
27 under [the act of July 3, 1986 (P.L.388, No.84), known as the  
28 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).  
29 At least forty-five (45) days must transpire between the first  
30 public hearing and the final decision of the board on the

1 charter application except that for a charter school beginning  
2 in the 1997-1998 school year, only thirty (30) days must  
3 transpire between the first public hearing and the final  
4 decision of the board.

5 (e) (1) Not later than seventy-five (75) days after the  
6 first public hearing on the application, the local board of  
7 school directors shall grant or deny the application. For a  
8 charter school beginning in the 1997-1998 school year, the local  
9 board of school directors shall grant or deny the application no  
10 later than sixty (60) days after the first public hearing.

11 (2) A charter school application submitted under this  
12 article shall be evaluated by the local board of school  
13 directors based on criteria, including, but not limited to, the  
14 following:

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

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

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

25 (iv) The extent to which the charter school may serve as a  
26 model for other public schools and share best practices.

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

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

8 (5) Written notice of the board's action shall be sent to  
9 the applicant, the department and the appeal board. If the  
10 application is denied, the reasons for the denial, including a  
11 description of deficiencies in the application, shall be clearly  
12 stated in the notice sent by the local board of school directors  
13 to the charter school applicant.

14 (f) At the option of the charter school applicant, a denied  
15 application may be revised and resubmitted to the local board of  
16 school directors. Following the appointment and confirmation of  
17 the Charter School Appeal Board under section 1721-A, the  
18 decision of the local board of school directors may be appealed  
19 to the appeal board. When an application is revised and  
20 resubmitted to the local board of school directors, the board  
21 may schedule additional public hearings on the revised  
22 application. The board shall consider the revised and  
23 resubmitted application at the first board meeting occurring at  
24 least forty-five (45) days after receipt of the revised  
25 application by the board. For a revised application resubmitted  
26 for the 1997-1998 school year, the board shall consider the  
27 application at the first board meeting occurring at least thirty  
28 (30) days after its receipt. The board shall provide notice of  
29 consideration of the revised application under [the "Sunshine  
30 Act."] 65 Pa.C.S. Ch. 7. No appeal from a decision of a local

1 school board may be taken until July 1, 1999.

2 \* \* \*

3 Section 1719-A. Contents of Application.--[An] (a) The  
4 department shall create a standard application form in paper and  
5 electronic formats for charter school applicants seeking to  
6 establish a charter school entity and a standard application  
7 form in paper and electronic formats for existing charter school  
8 entities seeking renewal of their charters. The forms shall be  
9 published in the Pennsylvania Bulletin and posted on the  
10 department's publicly accessible Internet website. The forms  
11 shall include all of the following information:

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

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

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

15 (4) [The proposed governance structure of the charter  
16 school, including a description and method for the appointment  
17 or election of members of the board of trustees.] An  
18 organization chart clearly presenting the proposed governance  
19 structure of the school, including lines of authority and  
20 reporting between the board of trustees, administrators, staff  
21 and any educational management service provider that will  
22 provide management services to the charter school entity.

23 (4.1) A clear description of the roles and responsibilities  
24 of the board of trustees, administrators and any other entities,  
25 including a charter school foundation, shown in the organization  
26 chart.

27 (4.2) A clear description of the method for the appointment  
28 or election of members of the board of trustees.

29 (4.3) Standards for board of trustees' performance,  
30 including compliance with all applicable laws, regulations and

1 terms of the charter.

2 (4.4) If the charter school entity intends to contract with  
3 an educational management service provider for services, all of  
4 the following shall apply:

5 (i) Evidence of the educational management service  
6 provider's record in serving student populations, including  
7 demonstrated academic achievement and demonstrated management of  
8 nonacademic school functions, including proficiency with public  
9 school-based accounting, if applicable.

10 (ii) A draft contract, IF THE EDUCATIONAL MANAGEMENT SERVICE <--  
11 PROVIDER HAS BEEN ENGAGED BY THE CHARTER SCHOOL ENTITY, stating  
12 all of the following:

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

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

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

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

20 (E) Performance evaluation measures and timelines.

21 (F) The compensation structure, including clear  
22 identification of all fees to be paid to the educational  
23 management service provider.

24 (G) Methods of contract oversight and enforcement.

25 (H) Investment disclosure or the advance of moneys by the  
26 educational management service provider on behalf of the charter  
27 school entity.

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

29 (iii) Disclosure and explanation of any existing or  
30 potential conflicts of interest between the members of the board

1 of trustees and the proposed educational management service  
2 provider or any affiliated business entities, including a  
3 charter school foundation qualified as a support organization  
4 under the Internal Revenue Code of 1986 (Public Law 99-514, 26  
5 U.S.C. § 1 et seq.).

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

9 (6) The admission and enrollment policy [and criteria for  
10 evaluating the admission of students] which shall comply with  
11 the requirements of section 1723-A.

12 (7) Procedures which will be used regarding the suspension  
13 or expulsion of pupils. Said procedures shall comply with  
14 section 1318.

15 (8) Information on the manner in which community groups will  
16 be involved in the charter school entity planning process.

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

21 (10) Procedures which shall be established to review  
22 complaints of parents regarding the operation of the charter  
23 school entity.

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

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

30 (13) The proposed faculty, if already determined, and a

1 professional development and continuing education plan for the  
2 faculty and professional staff of [a] the charter school entity.

3 (14) Whether any agreements have been entered into or plans  
4 developed with the local school district regarding participation  
5 of the charter school entity's students in extracurricular  
6 activities within the school district. Notwithstanding any  
7 provision to the contrary, no school district of residence shall  
8 prohibit a student of a charter school entity from participating  
9 in any extracurricular activity of that school district of  
10 residence: Provided, That the student is able to fulfill all of  
11 the requirements of participation in such activity and the  
12 charter school entity does not provide the same extracurricular  
13 activity.

14 (15) [A report] Reports of criminal history [record] records  
15 and employment history reviews, pursuant to [section 111]  
16 sections 111 and 111.1, for all individuals identified in the  
17 application who shall have direct contact with students[.] and a  
18 plan for satisfying the proper criminal history record  
19 clearances and employment history reviews required for all other  
20 staff.

21 (16) An official clearance statement regarding child injury  
22 or abuse from the Department of Public Welfare as required by 23  
23 Pa.C.S. Ch. 63 Subch. [C.2 (relating to background checks for  
24 employment in schools)] C (relating to powers and duties of  
25 department) and section 111 for all individuals identified in  
26 the application who shall have direct contact with students[.]  
27 and a plan for satisfying the proper official clearance  
28 statement regarding child injury or abuse required for all other  
29 staff.

30 (17) How the charter school entity will provide adequate

1 liability and other appropriate insurance for the charter school  
2 entity, its employes and the board of trustees of the charter  
3 school entity.

4 (18) Policies regarding truancy, absences and withdrawal of  
5 students, including the manner in which the charter school  
6 entity will monitor attendance consistent with section 1715-A(a)  
7 (9). The charter school entity's policy shall establish, to the  
8 satisfaction of the local board of school directors or, in the  
9 case of a cyber charter school, to the satisfaction of the  
10 department, that the charter school entity will comply with the  
11 provisions of sections 1326, 1327, 1327.2, 1329, 1330, 1332,  
12 1333, 1333.1, 1333.2 and 1333.3, including the institution of  
13 truancy proceedings when required under section 1333.1.

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

17 (20) Indicate whether or not the charter school entity will  
18 seek accreditation by a nationally recognized accreditation  
19 agency, including the Middle States Association of Colleges and  
20 Schools or another regional institutional accrediting agency  
21 recognized by the United States Department of Education or an  
22 equivalent federally recognized body for charter school  
23 education.

24 (b) A local board of school directors may not impose  
25 additional terms, develop its own application or require  
26 additional information outside the standard application forms  
27 required under subsection (a). The department shall review the  
28 standard application forms every three (3) years and shall  
29 submit any recommended revisions in writing to the Education  
30 Committee of the Senate and the Education Committee of the House

1 of Representatives. No such recommended revisions shall be made  
2 to the standard application forms unless the revisions are  
3 enacted by the General Assembly.

4 Section 1720-A. Term and Form of Charter.--(a) (1) Upon  
5 approval of a charter application under section 1717-A, a  
6 written charter shall be developed which shall contain the  
7 provisions of the standard charter application under section  
8 1719-A and which shall be signed by the local board of school  
9 directors [of a school district], by the local boards of school  
10 directors [of a school district] in the case of a regional  
11 charter school or by the chairman of the appeal board pursuant  
12 to section [1717-A(i) (5)] 1717-A(i) (9) and the board of trustees  
13 of the charter school or regional charter school. This written  
14 charter, when duly signed by the local board of school directors  
15 [of a school district, or], by the local boards of school  
16 directors [of a school district] in the case of a regional  
17 charter school or by the chairman of the appeal board, and the  
18 charter school or regional charter school's board of trustees,  
19 shall act as legal authorization for the establishment of a  
20 charter school or regional charter school. This written charter  
21 shall be legally binding on both the local board of school  
22 directors [of a school district] and the charter school or  
23 regional charter school's board of trustees. [Except as  
24 otherwise provided in subsection (b), the charter shall be for a  
25 period of no less than three (3) nor more than five (5) years  
26 and may be renewed for five (5) year periods upon  
27 reauthorization by the local board of school directors of a  
28 school district or the appeal board.] If the charter school or  
29 regional charter school contracts with an educational management  
30 service provider, a contract shall be executed once the charter

1 is approved. A charter will be granted only for a school  
2 organized as a public, nonprofit corporation.

3 (2) The following shall apply to all charters granted by a  
4 local board of school directors:

5 (i) An initial charter executed pursuant to section  
6 1720-A(a)(1) shall be for a period of five (5) years.

7 (ii) Prior to the effective date of the regulations  
8 implementing the performance matrix as required pursuant to  
9 section 1731.2-A, a charter may be renewed for five (5) year  
10 periods upon reauthorization by the local board of school  
11 directors or the appeal board.

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

15 (A) For charter schools and regional charter schools that  
16 have satisfied the academic quality benchmark established by the  
17 State board pursuant to section 1731.2-A(3), a charter may be  
18 renewed for ten (10) year periods upon reauthorization by the  
19 local board of school directors or the appeal board. Beginning  
20 in the sixth year of any ten (10) year period of renewal under  
21 this subclause, the charter of any charter school or regional  
22 charter school that fails for two (2) consecutive years to  
23 satisfy the academic quality benchmark established by the State  
24 board under section 1731.2-A(3) shall be subject to review by  
25 the local board of school directors.

26 (B) For charter schools and regional charter schools that  
27 have not satisfied the academic quality benchmark established by  
28 the State board pursuant to section 1731.2-A(3), a charter may  
29 be renewed for five (5) year periods upon reauthorization by the  
30 local board of school directors or the appeal board.

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

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

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

16        (B) (1) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL SHALL <--  
17 SUBMIT A RENEWAL APPLICATION AS PROVIDED UNDER SECTION 1719-A  
18 WITH THE LOCAL BOARD OF SCHOOL DIRECTORS BY DECEMBER 1 OF THE  
19 FINAL YEAR OF THE CHARTER.

20        (2) WITHIN NINETY (90) DAYS OF ITS RECEIPT OF THE RENEWAL  
21 APPLICATION, THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL VOTE TO  
22 RENEW OR TO NOT RENEW THE CHARTER.

23        (3) FAILURE BY THE LOCAL BOARD OF SCHOOL DIRECTORS TO ACT ON  
24 THE RENEWAL APPLICATION WITHIN THE TIME PERIOD UNDER CLAUSE (2)  
25 SHALL PERMIT THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO  
26 FILE ITS RENEWAL APPLICATION WITH THE APPEAL BOARD. IN SUCH  
27 CASE, THE APPEAL BOARD SHALL REVIEW THE APPLICATION AND MAKE A  
28 DECISION TO GRANT OR DENY A RENEWAL BASED ON THE CRITERIA  
29 ESTABLISHED IN SECTION 1729-A.

30        (4) A DECISION BY THE APPEAL BOARD UNDER THIS SUBSECTION TO

1 RENEW A CHARTER SHALL SERVE AS A REQUIREMENT FOR THE LOCAL BOARD  
2 OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT OR SCHOOL DISTRICTS, AS  
3 APPROPRIATE, TO SIGN THE RENEWAL OF THE CHARTER SCHOOL OR  
4 REGIONAL CHARTER SCHOOL AS PROVIDED FOR IN SUBSECTION (A) (2). IF  
5 THE LOCAL BOARD OF SCHOOL DIRECTORS FAILS TO SIGN THE RENEWAL  
6 WITHIN TEN (10) DAYS OF NOTICE, THE CHARTER SHALL BE DEEMED TO  
7 BE APPROVED AND SHALL BE SIGNED BY THE CHAIRMAN OF THE APPEAL  
8 BOARD.

9 (c) (1) A charter school or regional charter school may  
10 request amendments to its approved written charter by filing a  
11 written document describing the requested amendment with the  
12 local board of school directors.

13 (2) Within sixty (60) days of its receipt of the request for  
14 an amendment, the local board of school directors shall hold a  
15 public hearing on the requested amendment under 65 Pa.C.S. Ch. 7  
16 (relating to open meetings).

17 (3) Within sixty (60) days after the hearing, the local  
18 board of school directors shall grant or deny the requested  
19 amendment. Failure by the local board of school directors to  
20 hold a public hearing and to grant or deny the amendment within  
21 the time period specified in this subsection shall be deemed an  
22 approval.

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

26 Section 1721-A. State Charter School Appeal Board.--(a) The  
27 State Charter School Appeal Board shall consist of the Secretary  
28 of Education and [six (6)] the following members who shall be  
29 appointed by the Governor by and with the consent of a majority  
30 of all the members of the Senate. [Appointments by the Governor

1 shall not occur prior to January 1, 1999.] The Governor shall  
2 select the chairman of the appeal board to serve at the pleasure  
3 of the Governor. The members shall include:

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

6 (2) A school board member.

7 (3) A certified teacher actively employed in a public  
8 school.

9 (4) A faculty member or administrative employe of an  
10 institution of higher education.

11 (5) A member of the business community.

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

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

14 (8) A member of the board of trustees of a charter school  
15 entity.

16 (9) A principal of a public school not operated under this  
17 article.

18 The term of office of members of the appeal board, other than  
19 the secretary, shall be for a period of four (4) years or until  
20 a successor is appointed and qualified, except that, of the  
21 initial appointees, the Governor shall designate two (2) members  
22 to serve terms of two (2) years, two (2) members to serve terms  
23 of three (3) years and two (2) members to serve terms of four  
24 (4) years. A parent member appointed under paragraph (1) shall  
25 serve a term of four (4) years, provided the member's child  
26 remains enrolled in the charter school entity. Any appointment  
27 to fill any vacancy shall be for the period of the unexpired  
28 term or until a successor is appointed and qualified.

29 \* \* \*

30 (e) Meetings of the appeal board shall be conducted under

1 [the act of July 3, 1986 (P.L.388, No.84), known as the  
2 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).  
3 Documents of the appeal board shall be subject to the [act of  
4 June 21, 1957 (P.L.390, No.212), referred to as the Right-to-  
5 Know Law.] act of February 14, 2008 (P.L.6, No.3), known as the  
6 "Right-to-Know Law."

7 Section 10. Section 1722-A(a), (b) and (d) and 1723-A(a) and  
8 (b) of the act are amended and the sections are amended by  
9 adding subsections to read:

10 Section 1722-A. Facilities.--(a) A charter school entity  
11 may be located in an existing public school building, in a part  
12 of an existing public school building, in space provided on a  
13 privately owned site, in a public building or in any other  
14 suitable location.

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

18 (b.1) (1) A charter school entity shall have the right of  
19 first refusal to purchase or lease, for educational purposes  
20 only, a public school building or a part of a public school  
21 building which is no longer in use by A SCHOOL ENTITY WHICH IS <--  
22 the property titleholder, at the price of one of the following:

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

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

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

30 (2) A school entity shall accept an offer from a charter

1 school entity that conforms to the provisions of paragraph (1).

2 (3) The department shall provide a page on its publicly  
3 accessible Internet website on which school entities are  
4 required to post a notice for each public school building or  
5 part of a public school building that is available for purchase  
6 or lease. A school entity shall submit a notice to the  
7 department on a form to be developed by the department. The  
8 department shall post the notice within five (5) days of  
9 receiving the form.

10 (4) The following shall apply to the sale or lease of a  
11 public school building or a part of a public school building by  
12 a school entity:

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

17 (ii) Where two (2) or more charter school entities make  
18 offers on the same building or part of a building that conform  
19 to the provisions of this subsection, the school entity shall:

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

22 (B) Accept the best offer, if the offers differ in dollar  
23 amount.

24 (d) Notwithstanding any other provision of this act, [a  
25 school district of the first class may, in its discretion,  
26 permit a charter school to operate its school at more than one  
27 location.] a charter school or regional charter school that does  
28 not have in its written charter any limits on student enrollment  
29 or caps is permitted to operate its school at more than one  
30 location WITHIN THE DISTRICT THAT AUTHORIZED ITS CHARTER.

<--

1 \* \* \*

2 (f) (1) Alcoholic beverages shall not be available for  
3 consumption, purchase or sale in any charter school entity  
4 facility.

5 (2) If, in the case of a charter school or regional charter  
6 school, the local board of school directors reasonably believes  
7 that alcoholic beverages have been made available for  
8 consumption, purchase or sale in the charter school or regional  
9 charter school facility, the local board of school directors  
10 shall notify the department.

11 (3) If alcoholic beverages have been made available for  
12 consumption, purchase or sale in a charter school entity  
13 facility, the secretary shall order the following against the  
14 charter school entity:

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

17 (ii) A fine of five thousand dollars (\$5,000) for the second  
18 violation.

19 (iii) Revocation of the charter for the third violation.

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

23 Section 1723-A. [Enrollment] Admission and Enrollment

24 Requirements.--(a) (1) All resident children in this  
25 Commonwealth who submit a completed enrollment form in  
26 accordance with clauses (3) and (4) qualify for admission to a  
27 charter school entity within the provisions of subsection (b).

28 [If] In the case of a charter school or regional charter school,  
29 if more students apply to the charter school or regional charter  
30 school than the number of attendance slots available in the

1 school, then students must be selected on a random basis from a  
2 pool of [qualified applicants meeting the established  
3 eligibility criteria and submitting an application] eligible  
4 applicants who have submitted an enrollment form in accordance  
5 with clauses (3) and (4) by the deadline established by the  
6 charter school or regional charter school, except that the  
7 charter school or regional charter school may give preference in  
8 enrollment to a child of a parent who has actively participated  
9 in the development of the charter school [and] or regional  
10 charter school, to siblings of students presently enrolled in  
11 the charter school or regional charter school and to siblings of  
12 students selected for enrollment during the lottery process.  
13 First preference shall be given to students who reside in the  
14 district or districts[.] in which the charter school is  
15 physically located or in which the regional charter school is  
16 chartered.

17 (2) If a charter school or regional charter school has a  
18 waiting list following its initial selection of eligible  
19 applicants under clause (1), the charter school or regional  
20 charter school shall select and enroll eligible applicants from  
21 the waiting list as spaces become available. All children shall  
22 be assigned to the waiting list on a random basis. When  
23 selecting and enrolling eligible applicants from the waiting  
24 list, a charter school or regional charter school shall give  
25 first preference to students as provided under clause (1) and to  
26 those who reside in the district or districts in which the  
27 charter school is physically located or in which the regional  
28 charter school is chartered until the charter school or regional  
29 charter school again reaches its maximum capacity of students.  
30 If a charter school or regional charter school has a waiting

1 list, once the charter school or regional charter school has  
2 exhausted the waiting list of resident children, it may then  
3 enroll children on the waiting list who reside outside of the  
4 district. Nonresident children shall also be selected and  
5 enrolled on a random basis.

6 (3) The department, in consultation with representatives of  
7 charter school entities, shall develop a standard enrollment  
8 form in both paper and electronic formats that shall be used by  
9 all eligible applicants to apply to a charter school entity. The  
10 standard enrollment form shall only request information  
11 necessary to allow the charter school entity to identify the  
12 student, grade level and residency, including:

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

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

17 (4) The standard enrollment form shall be made physically  
18 available at each charter school entity, in a form that complies  
19 with Federal and State law, and posted on the publicly  
20 accessible Internet website of each charter school entity, if  
21 available. A charter school entity may accept the enrollment  
22 form via paper or electronic means.

23 (5) When a student applies to a charter school entity, a  
24 charter school entity shall not require or request information  
25 beyond the contents of the standard enrollment form developed by  
26 the department.

27 (6) Nothing in this section shall prohibit a charter school  
28 entity from requesting the submission of additional records and  
29 information that public schools are entitled to receive after a  
30 student is accepted for admission to, and has indicated an

1 intent to enroll in, the charter school entity.

2 (7) As used in this subsection, "eligible applicant" shall  
3 mean a student who is seeking to enter a grade level offered by  
4 the charter school entity and meets the requirements of 22 Pa.  
5 Code §§ 11.12 (relating to school age), 11.13 (relating to  
6 compulsory school age), 11.14 (relating to admission to  
7 kindergarten when provided), 11.15 (relating to admission of  
8 beginners), 11.16 (relating to early admission of beginners) and  
9 12.1 (relating to free education and attendance) and student  
10 residency requirements.

11 (b) (1) A charter school entity shall not discriminate in  
12 its admission policies or practices on the basis of intellectual  
13 ability, [except as provided in paragraph (2), or] athletic  
14 ability, measures of achievement or aptitude, status as a person  
15 with a disability, proficiency in the English language or any  
16 other basis that would be illegal if used by a school district.

17 (2) A charter school entity may limit [admission] its  
18 academic focus to a particular grade level, a targeted  
19 population group composed of at-risk students[, or areas of  
20 concentration of the school such as mathematics, science or the  
21 arts. A charter school may establish reasonable criteria to  
22 evaluate prospective students which shall be outlined in the  
23 school's charter.] or a specialized area or accelerated program  
24 of study, such as mathematics, science or the arts.

25 \* \* \*

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

1 school entity. Notwithstanding the above, absent language to the  
2 contrary in a charter or service contract between a school  
3 district and a charter school entity, a school district shall  
4 not be obligated to fund a four-year-old kindergarten program if  
5 the school district has exercised its discretion not to offer  
6 such a program in its own schools.

7 Section 11. Section 1725-A of the act, amended July 13, 2016  
8 (P.L.716, No.86), is amended to read:

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

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

14 (2) For non-special education students~~†, the†:~~ <--

15 ~~(i) Subject to subclause (ii), a~~ charter school entity shall  
16 receive for each student enrolled no less than the budgeted  
17 total expenditure per average daily membership of the prior  
18 school year, as defined in section 2501(20), minus the budgeted  
19 expenditures of the district of residence for nonpublic school  
20 programs; adult education programs; community/junior college  
21 programs; student transportation services; for special education  
22 programs; facilities acquisition, construction and improvement  
23 services; and other financing uses, including debt service and  
24 fund transfers as provided in the Manual of Accounting and  
25 Related Financial Procedures for Pennsylvania School Systems  
26 established by the department. ~~{This amount}~~ ~~The amount under~~ <--  
27 ~~this subclause~~ shall be paid by the district of residence of  
28 each student.

29 ~~(ii) Beginning in the 2017-2018 school year and continuing~~ <--  
30 ~~until the earlier of the end of the 2018-2019 school year or the~~

~~1 enactment of a new formula, a cyber charter school shall receive  
2 for each student enrolled the budgeted total expenditures per  
3 average daily membership of the prior school year, as defined in  
4 section 2501(20), minus the actual total amount the district of  
5 residence paid to cyber charter schools under this section for  
6 the prior school year; and budgeted expenditures of the district  
7 of residence for nonpublic school programs; adult education  
8 programs; community/junior college programs; tax assessment and  
9 collection services; thirty per centum of operation and  
10 maintenance of plant services; student transportation services;  
11 for special education programs; facilities acquisition,  
12 construction and improvement services; and other financing uses,  
13 including debt service and fund transfers as provided in the  
14 Manual of Accounting and Related Financial Procedures for  
15 Pennsylvania School Systems established by the department. The  
16 amount under this subclause shall be paid by the district of  
17 residence of each student.~~

~~18 (2.1) The amount under clause (2) shall be calculated by  
19 each school district on a form prescribed by the secretary in  
20 accordance with this section. The secretary, upon receipt of a  
21 school district's calculation, shall review the school  
22 district's calculation and may request supporting documentation  
23 from the school district regarding its calculation. If the  
24 secretary finds an error or discrepancy in a school district's  
25 calculation, the secretary shall require the school district to  
26 correct the calculation and require the school district to  
27 notify affected charter school entities. If the school district  
28 finds an error or discrepancy in the school district's  
29 calculation, the school district shall notify the secretary and  
30 the affected charter school entities as soon as possible, but~~

1 not later than October 31 of each year.

2 (3) For special education students, [the] a charter school  
3 entity shall receive for each student enrolled the same funding  
4 as for each non-special education student as provided in clause  
5 (2), plus an additional amount determined by dividing the  
6 district of residence's total special education expenditure by  
7 the product of multiplying the combined percentage of section  
8 2509.5(k) times the district of residence's total average daily  
9 membership for the prior school year. ~~[This]~~ ~~The amount under~~ <--  
10 ~~this clause~~ shall be paid by the district of residence of each  
11 student.

12 ~~(3.1) (i) For a school district in a city of the first~~ <--  
13 ~~class, the amount of cyber charter school savings under~~  
14 ~~subclause (ii) for the 2017-2018 and 2018-2019 school years~~  
15 ~~shall be used only for school based services that may include~~  
16 ~~the following:~~

17 ~~(A) Early childhood education, including full day~~  
18 ~~kindergarten and prekindergarten.~~

19 ~~(B) Tutoring services.~~

20 ~~(C) Educational enrichment programs.~~

21 ~~(D) Reducing class size.~~

22 ~~(E) Reducing or eliminating fees to participate in after~~  
23 ~~school programs such as music or athletics.~~

24 ~~(F) Expanding access to the arts, including music and art.~~

25 ~~(G) Library services.~~

26 ~~(ii) The amount of cyber charter school savings shall be~~  
27 ~~equal to the difference between charter school entity payments~~  
28 ~~calculated under clauses (2) (i) and (3) and cyber charter school~~  
29 ~~payments calculated under clauses (2) (ii) and (3).~~

30 (4) [A charter school may request the intermediate unit in

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

23 (5) Payments shall be made to the charter school entity in  
24 twelve (12) equal monthly payments, by the fifth day of each  
25 month, within the operating school year. A charter school  
26 entity's initial request for payment each year from a school  
27 district with respect to a student enrolled in the charter  
28 school entity shall include a copy of the student's standard <--  
29 enrollment form submitted to the charter school entity PROOF OF <--  
30 ENROLLMENT AND RESIDENCY. A student enrolled in a charter school

1 entity shall be included in the average daily membership of the  
2 student's district of residence for the purpose of providing  
3 basic education funding payments and special education funding  
4 pursuant to Article XXV. If a school district 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 district after receipt of documentation from the  
9 charter school entity. No later than October 1 of each year, a  
10 charter school entity shall submit to the school district of  
11 residence of each student final documentation of payment to be  
12 made based on the average daily membership for the students  
13 enrolled in the charter school entity from the school district  
14 for the previous school year. If a school district fails to make  
15 payment to the charter school entity, the secretary shall deduct  
16 and pay the amount as documented by the charter school entity  
17 from any and all State payments made to the district after  
18 receipt of documentation from the charter school entity from the  
19 appropriations for the fiscal year in which the final  
20 documentation of payment was submitted to the school district of  
21 residence. THE SECRETARY SHALL NOT MAKE A DEDUCTION UNLESS THE <--  
22 CHARTER SCHOOL ENTITY PROVIDES THE SECRETARY WITH PROOF THAT THE  
23 SCHOOL DISTRICT WAS BILLED FOR PAYMENT BY THE CHARTER SCHOOL  
24 ENTITY AND THAT THE SCHOOL DISTRICT DID NOT MAKE A PAYMENT AS  
25 PRESCRIBED BY THIS CLAUSE. THE SECRETARY SHALL NOTIFY THE SCHOOL  
26 DISTRICT PRIOR TO MAKING A DEDUCTION FOR PAYMENTS TO THE CHARTER  
27 SCHOOL ENTITY AND SHALL PROVIDE THE SCHOOL DISTRICT WITH THE  
28 AMOUNT OF THE DEDUCTION.

29 (6) [Within thirty (30) days after the secretary makes the  
30 deduction described in clause (5), a school district may notify

1 the secretary that the deduction made from State payments to the  
2 district under this subsection is inaccurate. The secretary  
3 shall provide the school district with an opportunity to be  
4 heard concerning whether the charter school documented that its  
5 students were enrolled in the charter school, the period of time  
6 during which each student was enrolled, the school district of  
7 residence of each student and whether the amounts deducted from  
8 the school district were accurate.] The following apply:

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

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

22 (iii) The burden of proof and production at the hearing  
23 shall be on the school district. A hearing shall not be held  
24 before the amount estimated by the charter school entity is paid  
25 to the charter school entity.

26 (iv) The secretary shall determine the accuracy of the  
27 amount documented by the charter school entity. Any necessary  
28 payment adjustment shall be made within thirty (30) days of the  
29 hearing.

30 (v) The school district shall be liable for the reasonable

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

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

9 (vii) Supersedeas shall not be granted to the secretary or  
10 any party to the proceeding on an appeal from the decision of  
11 the secretary under this section; and, absent a court order,  
12 payments shall not be held in escrow.

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

1 enrolled in a nonpublic school in the prior school year who  
2 enroll in a charter school exceeds the appropriation for the  
3 temporary financial assistance program, the amount paid to a  
4 school district for each qualifying student shall be pro rata  
5 reduced. Receipt of funds under this subsection shall not  
6 preclude a school district from applying for a grant under  
7 subsection (c).

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

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

25 (e) It shall be unlawful for any trustee of a charter school  
26 entity or any board of trustees of a charter school entity or  
27 any other person affiliated in any way with a charter school  
28 entity to demand or request, directly or indirectly, any gift,  
29 donation or contribution of any kind from any parent, teacher,  
30 employe or any other person affiliated with the charter school

1 entity as a condition for employment or enrollment and/or  
2 continued attendance of any pupil. Any donation, gift or  
3 contribution received by a charter school entity shall be given  
4 freely and voluntarily.

5 (f) In the case of a school district identified for  
6 financial recovery status under Article VI-A, a charter school  
7 entity, that is in operation on the effective date of this  
8 subsection or that is not authorized by the school district, may  
9 provide discounts to the school district or waive payments under  
10 this section, provided that any discounts or waivers of payment  
11 under this subsection shall be included in the school district's  
12 financial recovery plan under section 641-A.

13 Section 12. Sections 1728-A and 1729-A(a), (b) and (c) of  
14 the act are amended to read:

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

27 (2) Ongoing access to a charter school's or regional charter  
28 school's records shall mean that the local board of school  
29 directors shall have access to records including, but not  
30 limited to, financial reports, financial audits, teacher

1 certification and personnel records and aggregate standardized  
2 test scores without student-identifying information.

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

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

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

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

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

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

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

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

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

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

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

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

27 (e) The certified audit under subsection (d) and the annual  
28 budget under subsection (g) are public documents and shall be  
29 made available on the charter school entity's publicly  
30 accessible Internet website, if available, and, in the case of a

1 charter school or regional charter school, on the school  
2 district's publicly accessible Internet website.

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

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

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

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

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

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

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

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

1 fiscal year.

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

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

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

12 (2) Failure to meet the requirements for student performance  
13 [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or  
14 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]  
15 on assessments and on the performance matrix established under  
16 section 1731.2-A or failure to meet any performance standard set  
17 forth in the written charter signed pursuant to section [1716-A]  
18 1720-A.

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

21 (4) Violation of provisions of this article.

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

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

26 \* \* \*

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

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

20 (c) Any notice of revocation or nonrenewal of a charter  
21 given by the local board of school directors [of a school  
22 district] shall state the grounds for such action with  
23 reasonable specificity and give reasonable notice to the  
24 [governing] board of trustees of the charter school or regional  
25 charter school of the date on which a public hearing concerning  
26 the revocation or nonrenewal will be held. The local board of  
27 school directors shall conduct such hearing, present evidence in  
28 support of the grounds for revocation or nonrenewal stated in  
29 its notice and give the charter school or regional charter  
30 school reasonable opportunity to offer testimony before taking

1 final action. Formal action revoking or not renewing a charter  
2 shall be taken by the local board of school directors at a  
3 public meeting held pursuant to [the act of July 3, 1986  
4 (P.L.388, No.84), known as the "Sunshine Act,"] 65 Pa.C.S. Ch. 7  
5 (relating to open meetings) after the public has had thirty (30)  
6 days to provide comments to the board. All proceedings of the  
7 local board pursuant to this subsection shall be subject to 2  
8 Pa.C.S. Ch. 5 Subch. B (relating to practice and procedure of  
9 local agencies). Except as provided in subsection (d), the  
10 decision of the local board shall not be subject to 2 Pa.C.S.  
11 Ch. 7 Subch. B (relating to judicial review of local agency  
12 action).

13 \* \* \*

14 Section 13. The act is amended by adding sections to read:

15 Section 1729.1-A. Evaluation of Educators.--(a) All  
16 applications for a charter or for the renewal of a charter shall  
17 include a system of evaluation for educators that includes:

18 (1) At least four (4) rating categories of educator  
19 performance.

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

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

30 (c) For purposes of this section, the term "educator" shall

1 include all professional employes who are certified as teachers  
2 and noncertified staff members who teach in a charter school  
3 entity.

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

5 (a) Establishment shall be as follows:

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

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

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

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

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

1 organization; and

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

4 (3) Nothing under this section shall be construed to affect  
5 or change the terms or conditions of any individual charter  
6 previously granted that is consolidated under this section,  
7 including, but not limited to, any obligation of a school  
8 district to provide transportation for students enrolled in an  
9 individual charter school within a multiple charter school  
10 organization.

11 (b) (1) A charter school that, within either of the most  
12 recent two (2) school years, has failed to meet any of the  
13 following shall not be eligible to consolidate with another  
14 charter school:

15 (i) Requirements for student performance set forth in 22 Pa.  
16 Code Ch. 4 (relating to academic standards and assessment).

17 (ii) Accepted standards of fiscal management or audit  
18 requirements.

19 (iii) Performance standards set forth by the performance  
20 matrix established under section 1731.2-A or, prior to the  
21 effective date of the regulations implementing the performance  
22 matrix, a School Performance Profile score that is among the top  
23 twenty-fifth percentile of Pennsylvania charter schools as  
24 measured by the School Performance Profile for the most recent  
25 year for which a School Performance Profile score is available.

26 (2) A charter school that has failed to meet any of the  
27 requirements of paragraph (1) may consolidate if the  
28 consolidation includes a charter school demonstrating that it  
29 has satisfied such requirements for the most recent two (2)  
30 school years.

1     (c) The department shall develop and issue a standard  
2 application form in paper and electronic formats that multiple  
3 charter school organization applicants must submit to the  
4 department and to the local board of school directors of each  
5 school district that granted the initial charter of any charter  
6 school included in the proposed consolidation. The application  
7 form shall contain the following information:

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

9     (2) The names of the charter schools seeking consolidation  
10 under this section.

11     (3) A copy of the approved charter of each charter school  
12 seeking to consolidate under this section.

13     (4) An organizational chart clearly presenting the proposed  
14 governance structure of the multiple charter school  
15 organization, including lines of authority and reporting between  
16 the board of trustees, chief administrator, administrators,  
17 staff and any educational management service provider that will  
18 play a role in providing management services to the charter  
19 schools under its jurisdiction.

20     (5) A clear description of the roles and responsibilities  
21 for the board of trustees, chief administrator, administrators  
22 and any other entities, including a charter school foundation,  
23 shown in the organizational chart.

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

26     (7) Standards for board of trustees performance, including  
27 compliance with all applicable laws, regulations and terms of  
28 the charter.

29     (8) Enrollment procedures for each individual charter school  
30 included in its charter.

1 (9) Any other information as deemed necessary by the  
2 department.

3 (d) A multiple charter school organization may:

4 (1) Participate in the assessment system in the same manner  
5 in which a school district participates, with its individual  
6 charter schools participating in the assessment system in the  
7 same manner as individual schools within school districts. All  
8 data gathered for purposes of evaluation shall be gathered in  
9 the same manner in which data is gathered in the case of school  
10 districts and individual schools within school districts.  
11 Nothing in this paragraph shall alter the manner in which  
12 charter school performance on assessments is measured as  
13 required under the Every Student Succeeds Act (Public Law 114-  
14 95, 129 Stat. 1802), or its successor Federal statute.

15 (2) Add existing charter schools to its organization by  
16 obtaining the approval of the department and of the local board  
17 of school directors that granted the initial charter of each  
18 charter school proposed to be added under subsection (a)(1).

19 (3) Allow students enrolled in an individual charter school  
20 to matriculate to another individual charter school under its  
21 oversight so as to complete a course of instruction in an  
22 educational institution from kindergarten through grade twelve  
23 or otherwise in the best interests of the student.

24 (e) A multiple charter school organization shall be regarded  
25 as the holder of the charter of each individual charter school  
26 under its oversight and each previously or subsequently awarded  
27 charter shall be subject to nonrenewal or revocation by the  
28 local board of school directors that granted the initial charter  
29 in accordance with this act. The nonrenewal or revocation of the  
30 charter of an individual charter school under the oversight of a

1 multiple charter school organization shall not affect the status  
2 of a charter awarded for any other individual charter school  
3 under the oversight of the multiple charter school organization.

4 (f) Appeals shall be as follows:

5 (1) The appeal board shall have the exclusive review of an  
6 appeal by an applicant for consolidation, with respect to the  
7 rejection of a proposed consolidation by either the department  
8 or a school district.

9 (2) In considering an appeal under this section, the appeal  
10 board shall:

11 (i) Review the decision made by either the department or the  
12 school district on the record as certified by the entity that  
13 made the decision being appealed, provided that the appeal board  
14 may allow the department, a school district or the applicant for  
15 consolidation to supplement the record if the supplemental  
16 information was previously unavailable.

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

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

22 (iv) Make its decision based on whether the proposed  
23 consolidation satisfies the requirements of subsections (b) and  
24 (c).

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

29 (4) All decisions of the appeal board shall be subject to  
30 appellate review by the Commonwealth Court. In the event of an

1 appeal of a decision by the appeal board to the Commonwealth  
2 Court, the decision of the appeal board shall be stayed only  
3 upon order of the appeal board, the Commonwealth Court or the  
4 Pennsylvania Supreme Court.

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

7 Section 1731.1-A. Fund Balance Limits.--Fund balance limits  
8 shall be as follows:

9 (1) For the 2017-2018 school year and each school year  
10 thereafter, a charter school entity shall not accumulate an  
11 unassigned fund balance greater than the charter school entity  
12 unassigned fund balance limit, which will be determined as  
13 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>16%</u>                         |
| <u>Between \$12,000,000 and \$12,999,999</u> | <u>15.5%</u>                       |
| <u>Between \$13,000,000 and \$13,999,999</u> | <u>15%</u>                         |
| <u>Between \$14,000,000 and \$14,999,999</u> | <u>14.5%</u>                       |
| <u>Between \$15,000,000 and \$15,999,999</u> | <u>14%</u>                         |
| <u>Between \$16,000,000 and \$16,999,999</u> | <u>13.5%</u>                       |
| <u>Between \$17,000,000 and \$17,999,999</u> | <u>13%</u>                         |
| <u>Between \$18,000,000 and \$18,999,999</u> | <u>12.5%</u>                       |
| <u>Greater Than or Equal to \$19,000,000</u> | <u>12%</u>                         |

26 (2) For the 2017-2018 school year and each school year  
27 thereafter, any unassigned fund balance in place on June 30,  
28 2018, and on June 30 of each year thereafter in excess of the  
29 charter school entity unassigned fund balance limit shall be  
30 refunded on a pro rata basis within ninety (90) days to all

1 school districts that paid tuition to the charter school entity  
2 in the prior school year, based upon the number of students for  
3 whom each school district paid tuition to the charter school  
4 entity multiplied by the school district's per student payment  
5 under section 1725-A.

6 (3) By October 31, 2018, and by October 31 of each year  
7 thereafter, each charter school entity shall provide the  
8 department and all school districts that paid tuition to the  
9 charter school entity in the prior school year with information  
10 certifying compliance with this section. The information shall  
11 be provided in a form and manner prescribed by the department  
12 and shall include information on the charter school entity's  
13 estimated ending unassigned fund balance expressed as a dollar  
14 amount and as a percentage of the charter school entity's total  
15 budgeted expenditures for that school year.

16 (4) Unassigned funds of the charter school entity in excess  
17 of the unassigned fund balance limit may not be used to pay  
18 bonuses to any administrator, board of trustees member, employe,  
19 staff member or contractor and may not be transferred to a  
20 charter school foundation. If a charter school entity uses funds  
21 in excess of the unassigned fund balance limit to pay bonuses to  
22 any administrator, board of trustees member, employe, staff  
23 member or contractor or transfers such funds to a charter school  
24 foundation, the value of the bonus payment or fund transfer  
25 shall be refunded on a pro rata basis to all school districts  
26 that paid tuition to the charter school entity in the prior  
27 school year, based upon the number of students for whom each  
28 school district paid tuition to the charter school entity  
29 multiplied by the school district's per student payment under  
30 section 1725-A.

1 (5) As used in this section, "unassigned fund balance" shall  
2 mean that portion of the fund balance of a charter school entity  
3 that provides funding that serves to support the charter school  
4 entity that is:

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

7 (ii) held in the General Fund accounts of the charter school  
8 entity.

9 Section 1731.2-A. Performance Matrix.--The following shall  
10 apply:

11 (1) Within twenty-four (24) months of the effective date of  
12 this section, the State board shall develop a standard  
13 performance matrix to evaluate charter school entity performance  
14 and shall promulgate regulations pursuant to the act of June 25,  
15 1982 (P.L.633, No.181), known as the "Regulatory Review Act," to  
16 implement this section.

17 (2) The performance matrix shall assess performance by  
18 utilizing objective criteria, including, but not limited to:  
19 student performance on assessments; annual growth as measured by  
20 the Pennsylvania Value-Added Assessment System; attendance;  
21 attrition rates; graduation rates; other standardized test  
22 scores; school safety; parent satisfaction; accreditation by a  
23 nationally recognized accreditation agency, including the Middle  
24 States Association of Colleges and Schools or another regional  
25 institutional accrediting agency recognized by the United States  
26 Department of Education or an equivalent federally recognized  
27 body for charter school education; and other measures of school  
28 quality, including measures for assessing teacher effectiveness.

29 THE PERFORMANCE MATRIX SHALL BE DESIGNED TO PROVIDE PARENTS AND <--  
30 EDUCATORS ACCURATE COMPARISONS OF PERFORMANCE BY AND BETWEEN

1 TRADITIONAL PUBLIC SCHOOL ENTITIES AND CHARTER SCHOOL ENTITIES.

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

8 (4) In developing the performance matrix, the State board  
9 may:

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

13 (ii) To the extent possible, utilize an existing database  
14 developed by the department, including the School Performance  
15 Profile.

16 (5) Neither the department nor any local board of school  
17 directors may develop a separate performance matrix for the  
18 evaluation of a charter school entity. The department shall  
19 review the performance matrix every three (3) years to ensure  
20 the performance matrix properly measures school quality and  
21 shall submit any recommendations in writing to the State board,  
22 the Education Committee of the Senate and the Education  
23 Committee of the House of Representatives. Such recommended  
24 revisions shall not take effect unless the General Assembly  
25 enacts the revisions or the State board promulgates regulations  
26 to adopt the revisions pursuant to the "Regulatory Review Act."

27 (6) (i) A local board of school directors shall utilize the  
28 standard performance matrix as a primary factor in evaluating  
29 renewal charter school and regional charter school applicants,  
30 in evaluating consolidation applications under section 1729.2-A

1 and in annual monitoring and evaluation of charter schools and  
2 regional charter schools.

3 (ii) The department shall utilize the standard performance  
4 matrix as a primary factor in evaluating renewal cyber charter  
5 school applicants, in evaluating consolidation applications  
6 under section 1729.2-A and in annual monitoring and evaluation  
7 of cyber charter schools.

8 (7) (i) In developing the performance matrix and  
9 promulgating the regulations required under clause (1), the  
10 State board shall convene and consult with a Statewide advisory  
11 committee which shall consist of representatives of the  
12 department and a minimum of seven (7) representatives from  
13 charter schools, regional charter schools, cyber charter schools  
14 and school district personnel. Members of the committee shall be  
15 selected to be representative of the urban, rural and suburban  
16 areas of this Commonwealth.

17 (ii) The Statewide advisory committee required to be  
18 convened under subparagraph (i) shall be convened not later than  
19 ninety (90) days after the effective date of this section and  
20 shall meet regularly to fulfill requirements of this paragraph.

21 (8) The department shall distribute the performance matrix  
22 to all school districts and charter school entities and shall  
23 publish the annual calculation of the matrix on the department's  
24 publicly accessible Internet website.

25 Section 14. Section 1732-A of the act, amended November 3,  
26 2016 (P.L.1061, No.138), is amended to read:

27 Section 1732-A. Provisions Applicable to Charter Schools and  
28 Regional Charter Schools.--(a) Charter schools shall be subject  
29 to the following:

30 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436,

1 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,  
2 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),  
3 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,  
4 1317, 1317.1, 1317.2, 1317.3, 1318, 1326, 1327, 1327.2, 1329,  
5 1330, 1332, 1333, 1333.1, 1333.2, 1333.3, 1303-A, 1513, 1517,  
6 1518, 1521, 1523, 1531, 1547, 2014-A, Article XIII-A and Article  
7 XIV.

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

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

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

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

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

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

29 (8) 65 Pa.C.S. Ch. 7 (relating to open meetings).

30 (9) 65 Pa.C.S. Ch. 11 (relating to ethics standards ad

1 financial disclosure).

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

4 [Section 5.216 (relating to ESOL).

5 Section 5.4 (relating to general policies).]

6 (1) Chapter 4 (relating to academic standards and  
7 assessments).

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

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

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

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

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

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

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

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

18 (2) The secretary shall have the authority and the  
19 responsibility to ensure that charter schools and regional  
20 charter schools comply with Federal laws and regulations  
21 governing children with disabilities. The secretary shall  
22 promulgate regulations to implement this provision.

23 Section 15. The act is amended by adding a section to read:

24 Section 1733-A. Effect on Existing Charter School  
25 Entities.--(a) Within one (1) year of the effective date of  
26 this section, a charter school entity established under section  
27 1717-A, 1718-A or 1745-A prior to the effective date of this  
28 section shall amend its current charter through the amendment  
29 process under section 1720-A(c) or 1745-A(f) (5) as needed to  
30 reflect the requirements of this article. Any renewal that takes

1 effect after June 30, 2017, shall be for the term specified  
2 under section 1720-A(a)(2) or 1745-A(f)(3).

3 (b) A charter school entity approved after June 30, 2017,  
4 shall be in full compliance with this article.

5 (c) By the beginning of the 2017-2018 school year, each  
6 charter school entity shall demonstrate, to the satisfaction of  
7 the local board of school directors or, in the case of a cyber  
8 charter school, to the satisfaction of the department that the  
9 charter school entity is in compliance with the compulsory  
10 attendance provisions of sections 1326, 1327, 1327.2, 1329,  
11 1330, 1332, 1333, 1333.1, 1333.2 and 1333.3, including the  
12 institution of truancy proceedings when required under section  
13 1333.1.

14 Section 16. Sections 1741-A(c), 1742-A, 1743-A(e), 1744-A  
15 and 1745-A of the act are amended to read:

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

17 \* \* \*

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

22 Section 1742-A. Assessment and evaluation.

23 (a) Assessment.--The department shall:

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

29 (2) Annually review each cyber charter school's  
30 performance on [the Pennsylvania System of School Assessment

1 test, standardized tests and other performance indicators to  
2 ensure compliance with 22 Pa. Code Ch. 4 (relating to  
3 academic standards and assessment) or subsequent regulations  
4 promulgated to replace 22 Pa. Code Ch. 4] assessments and the  
5 performance matrix established under section 1731.2-A.

6 (3) Have ongoing access to all records, instructional  
7 materials and student and staff records of each cyber charter  
8 school and to every cyber charter school facility to ensure  
9 the cyber charter school is in compliance with its charter  
10 and this subdivision.

11 (b) Evaluation.--School districts, intermediate units,  
12 community colleges and State system institutions shall provide a  
13 cyber charter school with reasonable access to their facilities  
14 for the administration of standardized testing as follows:

15 (1) A cyber charter school shall provide an intermediate  
16 unit, school district, community college or State system  
17 institution with at least 60 days' notice of the need for  
18 facilities to be used for the administration of standardized  
19 tests.

20 (2) Within 30 days of the cyber charter school's  
21 request, the intermediate unit, school district, community  
22 college or State system institution shall notify the cyber  
23 charter school of the location of the facilities that will be  
24 provided, which shall be a quiet, separate location in which  
25 cyber charter school students will not be commingled with  
26 students of the intermediate unit, school district, community  
27 college or State system institution.

28 (3) An intermediate unit, school district of residence,  
29 community college or State system institution shall not be  
30 required to make facilities available to a cyber charter

1 school on dates and at times that may cause undue  
2 interference with the educational programs of the  
3 intermediate unit, school district, community college or  
4 State System institution.

5 (4) Any facilities rental fee charged to the cyber  
6 charter school and the payment thereof shall be in compliance  
7 with the facility rental policy of the intermediate unit,  
8 school district, community college or State system  
9 institution that applies generally to all organizations and  
10 community groups.

11 Section 1743-A. Cyber charter school requirements and  
12 prohibitions.

13 \* \* \*

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

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

18 (2) provide all equipment, including, but not limited  
19 to, a computer, computer monitor and printer, provided that a  
20 parent or guardian of more than one child who is enrolled in  
21 the same cyber charter school may elect not to receive a  
22 separate computer, computer monitor and printer for each  
23 enrolled child; and

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

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

30 \* \* \*

1 Section 1744-A. School district and intermediate unit  
2 responsibilities.

3 An intermediate unit or a school district in which a student  
4 enrolled in a cyber charter school resides shall do all of the  
5 following:

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

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

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

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

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

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

1 school established under this subdivision.

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

5 (b.1) Local board of school directors or intermediate  
6 unit.--

7 (1) Nothing in this article shall be construed to  
8 preclude a school district or an intermediate unit from  
9 offering instruction via the Internet or other electronic  
10 means, except that the instruction shall not be recognized as  
11 a cyber charter school under this article unless the school  
12 district or intermediate unit establishes a cyber charter  
13 school under subsection (a) and paragraph (2).

14 (2) A cyber charter school may be established by a local  
15 board of school directors or an intermediate unit if the  
16 procedures and requirements of this article are satisfied.

17 (c) Attendance.--Attendance at a cyber charter school shall  
18 satisfy requirements for compulsory attendance[.], subject to  
19 interventions and penalties for violation of compulsory  
20 attendance requirements under sections 1326, 1327.2, 1329, 1333,  
21 1333.1, 1333.2 and 1333.3.

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

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

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

5 (f) Evaluation criteria.--

6 (1) A cyber charter school application pursuant to  
7 section 1719-A submitted under this subdivision shall be  
8 evaluated by the department based on the following criteria:

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

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

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

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

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

25 (2) Written notice of the action of the department shall  
26 be sent by certified mail to the applicant and published on  
27 the department's [World Wide Web site] publicly accessible  
28 Internet website. If the application is denied, the reasons  
29 for denial, including a description of deficiencies in the  
30 application, shall be clearly stated in 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 and each member of the board of trustees of the  
5 cyber charter school. The charter, when duly signed, shall  
6 act as legal authorization of the establishment of a cyber  
7 charter school. The charter shall be legally binding on the  
8 department, the cyber charter school and its board of  
9 trustees. The charter [shall be for a period of no less than  
10 three years nor more than five years and may be renewed for a  
11 period of five years by the department.] term shall be as  
12 follows:

13 (i) An initial charter granted under this section  
14 shall be for a period of five years.

15 (ii) Prior to the effective date of the regulations  
16 implementing the performance matrix as required under  
17 section 1731.2-A, a charter may be renewed for five-year  
18 periods upon reauthorization by the department.

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

22 (A) For cyber charter schools that have  
23 satisfied the academic quality benchmark established  
24 by the State board under section 1731.2-A(3), a  
25 charter may be renewed for 10-year periods upon  
26 reauthorization by the department; provided that,  
27 beginning in the sixth year of any 10-year period of  
28 renewal under this clause, the charter of any cyber  
29 charter school that fails for two consecutive years  
30 to satisfy the academic quality benchmark established

1 by the State board under section 1731.2-A(3) shall be  
2 subject to review by the department.

3 (B) For cyber charter schools that have not  
4 satisfied the academic quality benchmark established  
5 by the State board under section 1731.2-A(3), a  
6 charter may be renewed for five-year periods upon  
7 reauthorization by the department.

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

10 (5) (i) A cyber charter school may request amendments  
11 to its approved written charter by filing with the  
12 department a written document describing the requested  
13 amendment.

14 (ii) Within 60 days of its receipt of the request  
15 for an amendment, the department shall hold a public  
16 hearing on the requested amendment under 65 Pa.C.S. Ch. 7  
17 (relating to open meetings).

18 (iii) Within 20 days after the hearing, the  
19 department shall grant or deny the requested amendment.  
20 Failure by the department to hold a public hearing and to  
21 grant or deny the amendment within the time period  
22 specified shall be deemed an approval.

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

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

30 (h) Appeal.--If the department fails to hold the required

1 public hearing or to approve or disapprove the charter, the  
2 applicant may file its application as an appeal to the appeal  
3 board. The appeal board shall review the application and make a  
4 decision to approve or disapprove the charter based on the  
5 criteria in subsection (f).

6 Section 17. Section 1749-A(a) and (c) of the act, amended  
7 November 3, 2016 (P.L.1061, No.138), are amended to read:

8 Section 1749-A. Applicability of other provisions of this act  
9 and of other acts and regulations.

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

12 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,  
13 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,  
14 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,  
15 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,  
16 1310, 1317, 1317.2, 1318, 1326, 1327, 1327.2, 1329, 1330,  
17 1332, 1333, 1333.1, 1333.2, 1333.3, 1303-A, 1513, 1517, 1518,  
18 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-B, 1702-A, 1703-A,  
19 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A, 1719-A, 1721-A,  
20 1722-A, [1723-A(a) and (b)] 1723-A(a), (b) and (d), 1724-A,  
21 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and (h), 1729-A,  
22 1729.1-A, 1730-A, 1731-A(a) (1) and (b), 1731.1-A, 1731.2-A,  
23 1733-A and 2014-A and Articles [XII-A,] XIII-A and XIV.

24 (1.1) The act of July 19, 1957 (P.L.1017, No.451), known  
25 as the State Adverse Interest Act.

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

28 (3) The act of July 19, 1965 (P.L.215, No.116), entitled  
29 "An act providing for the use of eye protective devices by  
30 persons engaged in hazardous activities or exposed to known

1 dangers in schools, colleges and universities."

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

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

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

16 (7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

17 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and  
18 financial disclosure).

19 \* \* \*

20 (c) Existing charter schools.--

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

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

- 1           (i) Section 1743-A(c), (d), (e), (f), (g), (h) and  
2           (i).  
3           (ii) Section 1744-A.  
4           (iii) Section 1748-A.

5 Section 18. This act shall take effect as follows:

6           (1) The addition of sections 126 and 1313.2 of the act  
7 shall take effect in 60 days.

8           (2) The addition of sections 1704-A and 1731.2-A of the  
9 act shall take effect in 120 days.

10           (3) The remainder of this act shall take effect  
11 immediately.