

AMENDMENTS TO SENATE BILL NO. 1085

Sponsor: SENATOR SMUCKER

Printer's No. 1597

1 Amend Bill, page 1, lines 1 through 10, by striking out all
2 of said lines and inserting

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

13 Amend Bill, page 1, lines 16 through 21; pages 2 through 88,
14 lines 1 through 30; page 89, lines 1 through 26, by striking out
15 all of said lines on said pages and inserting

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

19 Section 1525. Agreements with Institutions of Higher
20 Education.--Notwithstanding any other provision of law to the
21 contrary, a school district, charter school, regional charter
22 school, cyber charter school or area vocational-technical school
23 may enter into an agreement with one or more institutions of
24 higher education approved to operate in this Commonwealth in
25 order to allow [resident] students to attend such institutions
26 of higher education while the [resident] students are enrolled
27 in the school district, charter school, regional charter school,
28 cyber charter school or area vocational-technical school. The
29 agreement may be structured so that high school students may
30 receive credits toward completion of courses at the school
31 district, charter school, regional charter school, cyber charter
32 school or area vocational-technical school and at institutions
33 of higher education approved to operate in this Commonwealth.

34 Section 2. The definitions of "concurrent student" and
35 "school entity" in section 1602-B of the act, added July 13,

2005 (P.L.226, No.46), are amended to read:

Section 1602-B. Definitions.

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

* * *

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

* * *

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

* * *

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

Section 1613-B. Concurrent enrollment agreements.

* * *

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

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

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

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

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

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

"Associated nonprofit foundation" shall mean an entity organized as a Pennsylvania nonprofit corporation pursuant to 15 Pa.C.S. § 5306 (relating to articles of incorporation), operating exclusively for the support and benefit of a

Pennsylvania charter school entity organized under this article. The term shall include an associated nonprofit corporation.

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

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

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

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

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

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

"Cyber charter school" shall mean an independent public school established and operated under a charter from the Department of Education and in which the school uses technology, including electronic or digital books, in order to provide a significant portion of its curriculum and to deliver a significant portion of instruction to its students through the Internet or other electronic means. A cyber charter school must be organized as a public, nonprofit corporation. A charter may not be granted to a for-profit entity.

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

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

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

"Local board of school directors" shall mean the board of

1 directors [of], a school reform commission or other governing
2 authority of a school district or a financial recovery school
3 district in which a proposed or an approved charter school is
4 located.

5 "Nonrelated" shall mean an individual who is not an immediate
6 family member.

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

13 "School district of residence" shall mean the school district
14 in this Commonwealth in which [the parents or guardians of a
15 child reside] a child resides as determined under section 1302
16 and 22 Pa. Code § 11.11(a)(1) (relating to entitlement of
17 resident children to attend public schools).

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

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

22 "State board" shall mean the State Board of Education of the
23 Commonwealth.

24 Section 5. Section 1715-A of the act, amended or added June
25 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846, No.61), is
26 amended to read:

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

30 (1) Except as otherwise provided in this article, a charter
31 school entity is exempt from statutory requirements established
32 in this act, from regulations of the State board and the
33 standards of the secretary not specifically applicable to
34 charter [schools] school entities. Charter [schools] school
35 entities are not exempt from statutes applicable to public
36 schools other than this act.

37 (2) A charter school entity shall be accountable to the
38 parents, the public and the Commonwealth, with the delineation
39 of that accountability reflected in the charter. Strategies for
40 meaningful parent and community involvement shall be developed
41 and implemented by each school.

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

44 (4) A charter school entity shall be nonsectarian in all
45 operations.

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

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

1 (A) if the charter school entity provides for discrete and
2 separate entrances to buildings utilized for school purposes
3 only;

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

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

9 (6) A charter school entity shall not advocate unlawful
10 behavior.

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

15 (7.1) A cyber charter school shall only be subject to the
16 laws and regulations as provided for in section 1749-A or as
17 otherwise provided for in this act.

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

24 (9) A charter school entity shall provide a minimum of one
25 hundred eighty (180) days of instruction or nine hundred (900)
26 hours per year of instruction at the elementary level, or nine
27 hundred ninety (990) hours per year of instruction at the
28 secondary level. Nothing in this clause shall preclude the use
29 of computer and satellite linkages for delivering instruction to
30 students.

31 (10) Boards of trustees and contractors of charter [schools]
32 school entities shall be subject to the following statutory
33 requirements governing construction projects and construction-
34 related work:

35 (i) The following provisions of this act:

36 (A) Sections 751 and 751.1.

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

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

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

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

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

48 (11) Trustees of a charter school entity shall be public
49 officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to
50 ethics standards and financial disclosure) and shall file a
51 statement of financial interests for the preceding calendar year

with both the State Ethics Commission and either, in the case of a charter school or regional charter school, the local board of school directors or, in the case of a cyber charter school, the department, not later than May 1 of each year that members hold the position and of the year after a member leaves the position. All members of the board of trustees of a charter school entity shall take the oath of office as required under section 321 before entering upon the duties of their office.

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

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

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

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

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

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

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

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

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

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

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

15 Section 6. Section 1716-A(c) of the act, added June 19, 1997
16 (P.L.225, No.22), is amended and the section is amended by
17 adding subsections to read:

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

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

29 (2) An employe of the school district that chartered the
30 charter school or the regional charter school may serve as a
31 member of the board of trustees of the charter school or
32 regional charter school without voting privileges.

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

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

44 (3) A member of the board of trustees of a charter school
45 entity who knowingly violates this subsection commits a
46 violation of 65 Pa.C.S. § 1103(a) and shall be subject to the
47 penalties imposed under the jurisdiction of the State Ethics
48 Commission.

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

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

3 (b.3) A member of the board of trustees of a charter school
4 entity shall be automatically disqualified and immediately
5 removed from the board upon conviction for an offense graded as
6 a felony, an infamous crime, an offense pertaining to fraud,
7 theft or mismanagement of public funds, any offense pertaining
8 to his official capacity as a board member or any crime
9 involving moral turpitude.

10 (c) The board of trustees shall comply with [the act of July
11 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65
12 Pa.C.S. Ch. 7 (relating to open meetings).

13 (d) (1) (i) The board of trustees of a charter school
14 entity shall consist of a minimum of five (5) nonrelated voting
15 members.

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

21 (2) Within one (1) year of the effective date of this
22 subsection, at least one (1) member of the board of trustees of
23 a charter school entity shall be a parent of a child currently
24 attending the charter school entity. The board member shall be
25 eligible to serve only so long as the child attends the charter
26 school entity.

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

31 (2) The affirmative vote of a majority of all the voting
32 members of the board of trustees, duly recorded, shall be
33 required in order to take action on the subjects enumerated
34 under subsection (a).

35 Section 7. The act is amended by adding sections to read:

36 Section 1716.1-A. (Reserved).

37 Section 1716.2-A. Fund Balance Limits.--Fund balance limits
38 shall be as follows:

39 (1) For the 2013-2014 school year and each school year
40 thereafter, a charter school entity shall not accumulate an
41 unassigned fund balance greater than the charter school entity
42 unassigned fund balance limit, which will be determined as
43 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</u> |
| | | <u>Expenditures</u> |
| <u>Less than or equal to \$11,999,999</u> | | <u>12%</u> |
| <u>Between \$12,000,000 and \$12,999,999</u> | | <u>11.5%</u> |
| <u>Between \$13,000,000 and \$13,999,999</u> | | <u>11%</u> |
| <u>Between \$14,000,000 and \$14,999,999</u> | | <u>10.5%</u> |

| | |
|--|-------------|
| <u>Between \$15,000,000 and \$15,999,999</u> | <u>10%</u> |
| <u>Between \$16,000,000 and \$16,999,999</u> | <u>9.5%</u> |
| <u>Between \$17,000,000 and \$17,999,999</u> | <u>9%</u> |
| <u>Between \$18,000,000 and \$18,999,999</u> | <u>8.5%</u> |
| <u>Greater Than or Equal to \$19,000,000</u> | <u>8%</u> |

(2) Any unassigned fund balance in place on June 30, 2015, that exceeds the charter school entity unassigned fund balance limit shall be refunded on a pro rata basis within ninety (90) days to all school districts that paid tuition to the charter school entity on behalf of students enrolled in the 2013-2014 and 2014-2015 school years.

(3) For the 2015-2016 school year and each school year thereafter, any unassigned fund balance in place on June 30 of that school year in excess of the charter school entity unassigned fund balance limit shall be refunded on a pro rata basis within ninety (90) days to all school districts that paid tuition to the charter school entity in the prior school year.

(4) By September 30, 2015, and August 15 of each year thereafter, each charter school entity shall provide the department and all school districts that paid tuition to the charter school entity in the prior school year with information certifying compliance with this section. The information shall be provided in a form and manner prescribed by the department and shall include information on the charter school entity's estimated ending unassigned fund balance expressed as a dollar amount and as a percentage of the charter school entity's total budgeted expenditures for that school year.

(5) Unassigned funds of the charter school entity in excess of the unassigned fund balance limit may not be used to pay bonuses to any administrator, board of trustees member, employee, staff member or contractor and may not be transferred to a charter school foundation. If a charter school entity uses funds in excess of the unassigned fund balance limit to pay bonuses to any administrator, board of trustees member, employee, staff member or contractor or transfers such funds to a charter school foundation, the value of the bonus payment or fund transfer shall be refunded by the charter school entity on a pro rata basis to all school districts that paid tuition to the charter school entity on behalf of students enrolled in the charter school entity in the immediately preceding school year.

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

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

(ii) held in the general fund accounts of the charter school entity.

Section 7.1. Sections 1717-A(c), (d), (e), (f) and (i) and 1719-A of the act, added June 19, 1997 (P.L.225, No.22), are amended to read:

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

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

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

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

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

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

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

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

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

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

(4) A charter application shall be deemed approved by the local board of school directors of a school district upon

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

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

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

30 * * *

31 (i) (1) The appeal board shall have the exclusive review of
32 an appeal by a charter school applicant, or by the board of
33 trustees of an existing charter school, of a decision made by a
34 local board of directors not to grant a charter as provided in
35 this section.

36 [(2) In order for a charter school applicant to be eligible
37 to appeal the denial of a charter by the local board of
38 directors, the applicant must obtain the signatures of at least
39 two per centum of the residents of the school district or of one
40 thousand (1,000) residents, whichever is less, who are over
41 eighteen (18) years of age. For a regional charter school, the
42 applicant must obtain the signatures of at least two per centum
43 of the residents of each school district granting the charter or
44 of one thousand (1,000) residents from each of the school
45 districts granting the charter, whichever is less, who are over
46 eighteen (18) years of age. The signatures shall be obtained
47 within sixty (60) days of the denial of the application by the
48 local board of directors in accordance with clause (3).

49 (3) Each person signing a petition to appeal denial of a
50 charter under clause (2) shall declare that he or she is a
51 resident of the school district which denied the charter

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

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

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

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

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

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

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

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

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

30 (5) If the required number of signatures are obtained within
31 sixty (60) days of the denial of the application, the applicant
32 may present the petition to the court of common pleas of the
33 county in which the charter school would be situated. The court
34 shall hold a hearing only on the sufficiency of the petition.
35 The applicant and local board of school directors shall be given
36 seven (7) days' notice of the hearing. The court shall issue a
37 decree establishing the sufficiency or insufficiency of the
38 petition. If the petition is sufficient, the decree shall be
39 transmitted to the State Charter School Appeal Board for review
40 in accordance with this section. Notification of the decree
41 shall be given to the applicant and the local board of
42 directors.]

43 (6) In any appeal, the decision made by the local board of
44 directors shall be reviewed by the appeal board on the record as
45 certified by the local board of directors. The appeal board
46 shall give due consideration to the findings of the local board
47 of directors and specifically articulate its reasons for
48 agreeing or disagreeing with those findings in its written
49 decision. The appeal board shall have the discretion to allow
50 the local board of directors and the charter school applicant to
51 supplement the record if the supplemental information was

1 previously unavailable.

2 (7) Not later than thirty (30) days after the date of notice
3 of the acceptance of the appeal, the appeal board shall meet to
4 officially review the certified record.

5 (8) Not later than sixty (60) days following the review
6 conducted pursuant to clause (6), the appeal board shall issue a
7 written decision affirming or denying the appeal. If the appeal
8 board has affirmed the decision of the local board of directors,
9 notice shall be provided to both parties.

10 (9) A decision of the appeal board to reverse the decision
11 of the local board of directors shall serve as a requirement for
12 the local board of directors of a school district or school
13 districts, as appropriate, to grant the application and sign the
14 written charter of the charter school as provided for in section
15 1720-A. Should the local board of directors fail to grant the
16 application and sign the charter within ten (10) days of notice
17 of the reversal of the decision of the local board of directors,
18 the charter shall be deemed to be approved and shall be signed
19 by the chairman of the appeal board.

20 (10) All decisions of the appeal board shall be subject to
21 appellate review by the Commonwealth Court.

22 (j) Notwithstanding the provisions of section 696(i) or any
23 other provision of law to the contrary, a school reform
24 commission considering an application to establish a charter
25 school in a school district of the first class shall comply with
26 subsection (e) (5).

27 (k) Notwithstanding the provisions of section 696(i) or any
28 other provision of law to the contrary, a charter school
29 applicant may appeal a decision of a school reform commission to
30 deny an application to establish a charter school in a school
31 district of the first class to the appeal board. Subsections
32 (g), (h) and (i) shall apply to an appeal under this subsection.

33 Section 1719-A. Contents of Application.--[An] (a) The
34 department shall create a standard application form for charter
35 school applicants seeking to establish a charter school entity
36 and for existing charter school entities seeking renewal of
37 their charters. The form shall be published in the Pennsylvania
38 Bulletin and posted on the department's publicly accessible
39 Internet website. The form shall include all of the following
40 information:

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

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

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

44 (4) [The proposed governance structure of the charter
45 school, including a description and method for the appointment
46 or election of members of the board of trustees.] An
47 organizational chart clearly presenting the proposed governance
48 structure of the school, including lines of authority and
49 reporting between the board of trustees, administrators, staff
50 and any educational management service provider that will
51 provide management services to the charter school entity.

1 (4.1) A clear description of the roles and responsibilities
2 for the board of trustees, administrators and any other
3 entities, including a charter school foundation, shown in the
4 organizational chart.

5 (4.2) A clear description of and method for the appointment
6 or election of members of the board of trustees.

7 (4.3) Standards for board of trustees performance, including
8 compliance with all applicable laws, regulations and terms of
9 the charter.

10 (4.4) If the charter school entity intends to contract with
11 an educational management service provider for services, all of
12 the following:

13 (i) Evidence of the educational management service
14 provider's record in serving student populations, including
15 demonstrated academic achievement and demonstrated management of
16 nonacademic school functions, including proficiency with public
17 school-based accounting, if applicable.

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

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

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

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

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

26 (E) Performance evaluation measures and timelines.

27 (F) The compensation structure, including clear
28 identification of all fees to be paid to the educational
29 management service provider.

30 (G) Methods of contract oversight and enforcement.

31 (H) Investment disclosure or the advance of moneys by the
32 educational management service provider on behalf of the charter
33 school entity.

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

35 (iii) Disclosure and explanation of any existing or
36 potential conflicts of interest between the members of the board
37 of trustees and the proposed educational management service
38 provider or any affiliated business entities, including a
39 charter school foundation qualified as a support organization
40 under the Internal Revenue Code of 1986 (Public Law 99-514, 26
41 U.S.C. § 1 et seq.).

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

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

48 (7) Procedures which will be used regarding the suspension
49 or expulsion of pupils. Said procedures shall comply with
50 section 1318.

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

1 be involved in the charter school entity planning process.

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

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

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

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

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

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

29 (15) A report of criminal history record, pursuant to
30 section 111, for all individuals identified in the application
31 who shall have direct contact with students and a plan for
32 satisfying the proper criminal history record clearances
33 required for all other staff.

34 (16) An official clearance statement regarding child injury
35 or abuse from the Department of Public Welfare as required by 23
36 Pa.C.S. Ch. 63 Subch. C.2 (relating to background checks for
37 employment in schools) for all individuals identified in the
38 application who shall have direct contact with students and a
39 plan for satisfying the proper official clearance statement
40 regarding child injury or abuse required for all other staff.

41 (17) How the charter school entity will provide adequate
42 liability and other appropriate insurance for the charter school
43 entity, its employes and the board of trustees of the charter
44 school entity.

45 (18) Policies regarding truancy, absences and withdrawal of
46 students, including the manner in which the charter school
47 entity will monitor attendance consistent with section 1715-A(a)
48 (9). The charter school entity's policy shall establish, to the
49 satisfaction of the local board of school directors or, in the
50 case of cyber charter school, to the satisfaction of the
51 department, that the charter school entity will comply with

1 sections 1332 and 1333, including the institution of truancy
2 proceedings when required under section 1333.

3 (19) How the charter school entity will meet the standards
4 included in the performance matrix developed by the department
5 under section 1731.1-A.

6 (20) Indicate whether or not the charter school entity will
7 seek accreditation by a nationally recognized accreditation
8 agency, including the Middle States Association of Colleges and
9 Schools or another regional institutional accrediting agency
10 recognized by the United States Department of Education or an
11 equivalent federally recognized body for charter school
12 education.

13 (b) A local board of school directors may not impose
14 additional terms, develop its own application or require
15 additional information outside the standard application form
16 required under subsection (a).

17 Section 8. Section 1720-A of the act, amended July 9, 2008
18 (P.L.846, No.61), is amended to read:

19 Section 1720-A. Term and Form of Charter.--(a) (1) Upon
20 approval of a charter application under section 1717-A, a
21 written charter shall be developed which shall contain the
22 provisions of the standardized charter application under section
23 1719-A and which shall be signed by the local board of school
24 directors of a school district, by the local boards of school
25 directors of a school district in the case of a regional charter
26 school or by the chairman of the appeal board pursuant to
27 section [1717-A(i)(5)] 1717-A(i)(9) and the board of trustees of
28 the charter school or regional charter school. This written
29 charter, when duly signed by the local board of school directors
30 of a school district, [or] by the local boards of school
31 directors of a school district in the case of a regional charter
32 school or by the chairman of the appeal board, and the charter
33 school's or regional charter school's board of trustees, shall
34 act as legal authorization for the establishment of a charter
35 school or regional charter school. This written charter shall be
36 legally binding on both the local board of school directors of a
37 school district and the charter school's or regional charter
38 school's board of trustees. [Except as otherwise provided in
39 subsection (b), the charter shall be for a period of no less
40 than three (3) nor more than five (5) years and may be renewed
41 for five (5) year periods upon reauthorization by the local
42 board of school directors of a school district or the appeal
43 board.] If the charter school or regional charter school
44 contracts with an educational management service provider, a
45 contract shall be executed once the charter is approved. A
46 charter will be granted only for a school organized as a public,
47 nonprofit corporation.

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

50 (i) An initial charter executed pursuant to section
51 1720-A(a)(1) shall be for a period of five (5) years.

1 (ii) Prior to the effective date of the regulations
2 implementing the performance matrix as required pursuant to
3 section 1731.1-A, a charter may be renewed for five (5) year
4 periods upon reauthorization by the local board of school
5 directors or other governing body of a school district or the
6 appeal board.

7 (iii) Upon the effective date of the regulations
8 implementing the performance matrix as required pursuant to
9 section 1731.1-A, the following shall apply:

10 (A) For charter schools and regional charter schools that
11 have satisfied the academic quality benchmark established by the
12 State Board of Education pursuant to section 1731.1-A, a charter
13 may be renewed for ten (10) year periods upon reauthorization by
14 the local board of school directors or other governing body of a
15 school district or the appeal board.

16 (B) For charter schools and regional charter schools that
17 have not satisfied the academic quality benchmark established by
18 the State Board of Education pursuant to section 1731.1-A, a
19 charter may be renewed for five (5) year periods upon
20 reauthorization by the local board of school directors or other
21 governing body of a school district or the appeal board.

22 (b) (1) Notwithstanding subsection (a), a governing board
23 of a school district of the first class may renew a charter for
24 a period of one (1) year if the board of school directors
25 determines that there is insufficient data concerning the
26 charter school's academic performance to adequately assess that
27 performance and determines that an additional year of
28 performance data would yield sufficient data to assist the
29 governing board in its decision whether to renew the charter for
30 a period of five (5) years.

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

34 (3) A governing board of a school district of the first
35 class does not have the authority to renew a charter for
36 successive one (1) year periods.

37 (c) (1) A charter school or regional charter school may
38 request amendments to its approved written charter by filing a
39 written document describing the requested amendment with the
40 local board of school directors.

41 (2) Within thirty-five (35) days of its receipt of the
42 request for an amendment, the local board of school directors
43 shall hold a public hearing on the requested amendment under 65
44 Pa.C.S. Ch. 7 (relating to open meetings).

45 (3) Within thirty-five (35) days after the hearing, the
46 local board of school directors shall grant or deny the
47 requested amendment. Failure by the local board of school
48 directors to hold a public hearing and to grant or deny the
49 amendments within the time period specified in this subsection
50 shall be deemed an approval.

51 (4) An applicant for an amendment to a local board of school

1 directors shall have the right to appeal the denial of a
2 requested amendment to the appeal board provided for under
3 section 1721-A.

4 Section 9. Section 1721-A(a) and (e) of the act, added June
5 19, 1997 (P.L.225, No.22), are amended to read:

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

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

16 (2) A school board member.

17 (3) A certified teacher actively employed in a public
18 school.

19 (4) A faculty member or administrative employe of an
20 institution of higher education.

21 (5) A member of the business community.

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

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

24 (8) A member of the board of trustees of a charter school
25 entity.

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

37 * * *

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

45 Section 10. Section 1722-A(a), (b) and (d) of the act,
46 amended November 17, 2010 (P.L.996, No.104), are amended and the
47 section is amended by adding subsections to read:

48 Section 1722-A. Facilities.--(a) A charter school entity
49 may be located in an existing public school building, in a part
50 of an existing public school building, in space provided on a
51 privately owned site, in a public building or in any other

1 suitable location.

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

5 (b.1) (1) A charter school entity shall have the right of
6 first refusal to purchase or lease, for educational purposes
7 only, a public school building or a part of a public school
8 building which is no longer in active use by the property
9 titleholder, at the price of one of the following:

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

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

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

17 (2) Subject to paragraph (4), a school entity shall accept
18 an offer from a charter school entity that conforms to the
19 provisions of paragraph (1).

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

28 (4) The following shall apply to the sale or lease of a
29 public school building or a part of a public school building by
30 a school entity:

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

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

38 (A) Accept the first offer where all the offers are equal.

39 (B) Accept the best offer where the offers differ.

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

44 * * *

45 (f) (1) Alcoholic beverages shall not be available for
46 consumption, purchase or sale in any charter school entity
47 facility.

48 (2) If, in the case of a charter school or regional charter
49 school, the local board of school directors reasonably believes
50 that alcoholic beverages have been made available for
51 consumption, purchase or sale in the charter school or regional

1 charter school facility, the local board of school directors
2 shall notify the department.

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

7 (i) A fine of \$1,000 for the first violation.

8 (ii) A fine of \$5,000 for the second or subsequent
9 violation.

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

13 Section 11. Section 1723-A(a) and (b) of the act, amended
14 June 26, 1999 (P.L.394, No.36) are amended to read:

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

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

35 (2) If a charter school has a waiting list following its
36 initial selection of eligible applicants under clause (1), the
37 charter school shall select eligible applicants from the waiting
38 list as spaces become available. All children shall be assigned
39 to the waiting list on a random basis. When selecting eligible
40 applicants from the waiting list, a charter school shall give
41 first preference to students as provided under clause (1) and to
42 those who reside in the district or districts in which the
43 charter school is physically located until the charter school
44 again reaches its maximum capacity of students. If a charter
45 school has a waiting list, once the charter school has exhausted
46 the waiting list of resident children, it may then enroll
47 children on the waiting list who reside outside of the district.
48 Nonresident children shall also be selected on a random basis.

49 (3) The department, in consultation with representatives of
50 charter school entities, shall develop a standard enrollment
51 form that shall be used by all eligible applicants to apply to a

1 charter school entity. The standard enrollment form shall only
2 request information necessary to allow the charter school entity
3 to identify the student, grade level and residency, including:

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

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

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

14 (5) When a student applies to a charter school entity, a
15 charter school entity shall not require or request information
16 beyond the contents of the standard enrollment form developed by
17 the department.

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

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

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

37 (2) A charter school entity may limit [admission] its
38 academic focus to a particular grade level[,] or a targeted
39 population group composed of at-risk students[, or areas of
40 concentration of the school such as mathematics, science or the
41 arts. A charter school may establish reasonable criteria to
42 evaluate prospective students which shall be outlined in the
43 school's charter.] or a specialized area or accelerated program
44 of study, such as mathematics, science or the arts.

45 * * *

46 Section 12. Section 1724-A(d) of the act, added June 19,
47 1997 (P.L.225, No.22), are reenacted to read:

48 Section 1724-A. School Staff.--* * *

49 (d) Every employe of a charter school shall be provided [the
50 same] similar health care benefits as the employe would be
51 provided if he or she were an employe of the local district. The

1 local board of school directors may require the charter school
2 to provide [the same] similar terms and conditions with regard
3 to health insurance as the collective bargaining agreement of
4 the school district to include employee contributions to the
5 district's health benefits plan. The charter school shall make
6 any required employer's contribution to the district's health
7 plan to an insurer, a local board of school directors or a
8 contractual representative of school employees, whichever is
9 appropriate to provide the required coverage.

10 * * *

11 Section 13. Section 1725-A(a)(2) of the act, amended June
12 29, 2002 (P.L.524, No.88), is amended to read:

13 Section 1725-A. Funding for Charter Schools.--(a) Funding
14 for a charter school shall be provided in the following manner:

15 * * *

16 (2) For non-special education students, the charter school
17 shall receive for each student enrolled no less than the
18 budgeted total expenditure per average daily membership of the
19 prior school year, as defined in section 2501(20), minus the
20 budgeted expenditures of the district of residence for nonpublic
21 school programs; adult education programs; community/junior
22 college programs; student transportation services; for special
23 education programs; facilities acquisition, construction and
24 improvement services; programs and services to the extent they
25 are funded from the proceeds of competitive grants from private
26 or public resources or from contributions or donations from
27 private sources; and other financing uses, including debt
28 service and fund transfers as provided in the Manual of
29 Accounting and Related Financial Procedures for Pennsylvania
30 School Systems established by the department. This amount shall
31 be paid by the district of residence of each student.

32 * * *

33 Section 14. Section 1728-A(a) of the act, added June 19,
34 1997 (P.L.225, No.22), is amended to read:

35 Section 1728-A. Annual Reports and Assessments.--(a) (1)
36 The local board of school directors shall annually assess
37 whether each charter school or regional charter school is
38 meeting the goals of its charter and shall conduct a
39 comprehensive review prior to granting a [five (5) year] renewal
40 of the charter pursuant to section 1720-A(a)(2). The local board
41 of school directors shall have ongoing access to the records and
42 facilities of the charter school or regional charter school to
43 ensure that the charter school or regional charter school is in
44 compliance with its charter and this act and that requirements
45 for testing, civil rights and student health and safety are
46 being met.

47 (2) Ongoing access to a charter school's or regional charter
48 school's records shall mean that the local board of school
49 directors shall have access to records such as financial
50 reports, financial audits, aggregate standardized test scores
51 without student-identifying information and teacher

1 certification and personnel records.

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

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

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

26 (d) A charter school entity shall form an independent audit
27 committee of its board members which shall review at the close
28 of each fiscal year a complete certified audit of the operations
29 of the charter school entity. The audit shall be conducted by a
30 qualified independent certified public accountant. The audit
31 shall be conducted under generally accepted audit standards of
32 the Governmental Accounting Standards Board and shall include
33 the following:

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

36 (2) Full review of expense reimbursements for board members
37 and administrators, including sampling of all reimbursements.

38 (3) Review of internal controls, including review of
39 receipts and disbursements.

40 (4) Review of annual Federal and State tax filings,
41 including the Internal Revenue Service Form 990, Return of
42 Organization Exempt from Income Tax and all related schedules
43 and appendices for the charter school entity and charter school
44 foundation, if applicable.

45 (5) Review of the financial statements of any charter school
46 foundation.

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

49 (7) Review of all board policies and procedures with regard
50 to internal controls, code of ethics, conflicts of interest,
51 whistle-blower protections, complaints from parents or the

1 public, compliance with 65 Pa.C.S. Ch. 7 (relating to open
2 meetings), compliance with the "Right-to-Know Law," finances,
3 budgeting, audits, public bidding and bonding.

4 (e) The certified audit under subsection (d) and the annual
5 budget under subsection (g) are public documents and shall be
6 made available on the charter school entity's publicly
7 accessible Internet website, if available, and in the case of a
8 charter school or regional charter school, on the school
9 district's publicly accessible Internet website.

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

13 (g) A charter school entity shall annually provide the
14 department and, in the case of a charter school or regional
15 charter school, shall annually provide the school district, with
16 a copy of the annual budget for the operation of the charter
17 school entity that identifies the following:

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

20 (2) Where funding is provided by a charter school
21 foundation, the amount of funds and a description of the use of
22 the funds.

23 (3) The salaries of all administrators of the charter school
24 entity.

25 (4) All expenditures to an educational management service
26 provider.

27 (h) (1) Notwithstanding any other provision of law, a
28 charter school entity and any affiliated charter school
29 foundation shall make copies of its annual Federal and State tax
30 filings available upon request and on the foundation's or
31 charter school entity's publicly accessible Internet website, if
32 applicable, including Internal Revenue Service Form 990, Return
33 of Organization Exempt from Income Tax and all related schedules
34 and appendices.

35 (2) The charter school foundation shall also make copies of
36 its annual budget available upon request and on the foundation's
37 or the charter school entity's publicly accessible Internet
38 website within thirty (30) days of the close of the foundation's
39 fiscal year.

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

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

43 Section 1728.2-A. Charter Authorizer Accountability.--(a)
44 Each local board of school directors shall be required to submit
45 to the department an annual report summarizing:

46 (1) The strategic vision for chartering and progress toward
47 achieving that vision.

48 (2) The academic and financial performance of all operating
49 public charter schools and regional charter schools overseen by
50 the local board of school directors according to the performance
51 expectations for public charter schools set forth in this act.

1 (3) The status of the local board of school directors'
2 charter school and regional charter school portfolio,
3 identifying all public charter schools in each of the following
4 categories: (i) approved, but not open; (ii) open and operating;
5 and (iii) closed, including the year closed and the reason for
6 closure.

7 (4) The authorizing functions provided by the local board of
8 school directors to the public charter schools and regional
9 charter schools under its purview, including the authorizer's
10 operating costs and expenses detailed in annual audited
11 financial statements that conform to generally accepted
12 accounting principles.

13 (b) The department shall be responsible for the following:

14 (1) Oversight of the performance of each established local
15 board of school directors.

16 (2) Formal evaluation of the overall State charter school
17 program and outcomes every five years.

18 (3) For each local board of school directors an annual
19 review, based on objective data, to determine how well it is
20 exercising its duties and maintaining a portfolio of high-
21 performing charter schools.

22 (4) In reviewing or evaluating the performance of each local
23 board of school directors, the department shall apply nationally
24 recognized principles and standards of quality charter school
25 authorizing including, but not limited to, those of the National
26 Association of Charter School Authorizers.

27 (c) The department shall publish the annual reviews on its
28 publicly accessible Internet website and submit a summary report
29 regarding performance to the Governor and the General Assembly.

30 (d) (1) By November 30, 2014, the department shall develop
31 a plan for sanctioning local boards of school directors that
32 maintain portfolios with persistently low-performing charter
33 schools and regional charter schools and fail to provide
34 adequate oversight or intervention that may include a corrective
35 action plan and other sanctions deemed necessary by the
36 department.

37 (2) The department must issue its plan for sanctioning local
38 boards of school directors to the President pro tempore of the
39 Senate, the Majority Leader and Minority Leader of the Senate,
40 the Education Committee of the Senate, the Speaker of the House
41 of Representatives, the Majority Leader and Minority Leader of
42 the House of Representatives and the Education Committee of the
43 House of Representatives.

44 (3) The plan for sanctioning local boards of school
45 directors developed by the department shall not go into effect
46 unless the plan for sanctioning local boards of school directors
47 is approved by an act of the General Assembly.

48 Section 16. Section 1729-A(a), (b) and (c) of the act, added
49 June 19, 1997 (P.L.225, No.22), are amended to read:

50 Section 1729-A. Causes for Nonrenewal or Termination.--(a)
51 During the term of the charter or at the end of the term of the

1 charter, the local board of school directors may choose to
2 revoke or not to renew the charter based on any of the
3 following:

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

7 (2) Failure to meet the requirements for student performance
8 [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or
9 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]
10 on assessments or failure to meet any performance standard set
11 forth in the written charter signed pursuant to section [1716-A]
12 1720-A.

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

15 (4) Violation of provisions of this article.

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

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

20 * * *

21 (b) [A member of the board of trustees who is convicted of a
22 felony or any crime involving moral turpitude shall be
23 immediately disqualified from serving on the board of trustees.]
24 If, after a hearing under this section, a local board of school
25 directors or, in the case of a cyber charter school, the
26 department proves by a preponderance of the evidence that an
27 administrator or board member of a charter school entity has
28 violated this article, the terms and conditions of the charter
29 or any other law, the local board of school directors or, in the
30 case of a cyber charter school, the department may require the
31 charter school entity to replace the administrator or board of
32 trustees member in order to obtain renewal of the charter. The
33 local board of school directors or, in the case of a cyber
34 charter school, the department may refer its findings to the
35 district attorney with jurisdiction or to the Office of Attorney
36 General for prosecution if the local board of school directors
37 or, in the case of a cyber charter school, the department
38 discovers or receives information about possible violations of
39 law by any person affiliated with or employed by a charter
40 school entity.

41 (c) Any notice of revocation or nonrenewal of a charter
42 given by the local board of school directors of a school
43 district shall state the grounds for such action with reasonable
44 specificity and give reasonable notice to the [governing] board
45 of trustees of the charter school or regional charter school of
46 the date on which a public hearing concerning the revocation or
47 nonrenewal will be held. The local board of school directors
48 shall conduct such hearing, present evidence in support of the
49 grounds for revocation or nonrenewal stated in its notice and
50 give the charter school or regional charter school reasonable
51 opportunity to offer testimony before taking final action.

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

12 * * *

13 Section 17. The act is amended by adding sections to read:

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

18 (1) at least four (4) rating categories of educator
19 performance; and

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
31 include all professional employees who are certified as teachers
32 and noncertified staff members who teach in a charter school
33 entity.

34 Section 1729.2-A. Multiple Charter School Organizations.--
35 (a) A multiple charter school organization approved by the
36 secretary under this section shall be:

37 (1) granted legal authority to operate two (2) or more
38 individual charter schools established under the requirements of
39 section 1717-A, under the management of a single board of
40 trustees and a chief administrator, subject to the oversight of
41 the authorizing school district for each charter school included
42 in the multiple charter school organization;

43 (2) subject to all of the requirements of this article,
44 unless otherwise provided for under this section; and

45 (3) the holder of the charter of each individual charter
46 school within the organization.

47 (b) Subject to the requirements of this section and 15
48 Pa.C.S. Pt. II Subpt. C (relating to nonprofit corporations),
49 two (2) or more charter schools may consolidate into a multiple
50 charter school organization pursuant to the following:

51 (1) Each charter school seeking to consolidate pursuant to

1 this section shall submit an application for consolidation to
2 the department and to the authorizing school district for each
3 charter school included in the proposed consolidation. The
4 application must be submitted to the department and to all
5 authorizing school districts on the same day.

6 (2) A school district that receives an application for
7 consolidation under paragraph (1) may object to the proposed
8 consolidation by filing a statement of its objections to the
9 application with the department and each charter school included
10 in the proposed consolidation within thirty (30) days of the
11 submission date. If an authorizing school district does not file
12 a statement of its objections within thirty (30) days of the
13 submission date, the authorizing school district shall be deemed
14 to assent to the application.

15 (3) Within thirty (30) days of its receipt of a school
16 district's statement of its objections under paragraph (2), the
17 department shall conduct a hearing to consider the application
18 and the school district's objections. The hearing required under
19 this paragraph shall be conducted by an impartial hearing
20 officer appointed by the Governor's Office of General
21 Counsel. In conducting the hearing, the hearing officer may
22 request that the authorizing school districts and the charter
23 schools included in the proposed consolidation provide any
24 supplemental information the hearing officer deems necessary in
25 considering the application and the school district's
26 objections.

27 (4) Within sixty (60) days of the hearing conducted pursuant
28 to paragraph (3), the hearing officer shall submit to the
29 secretary a report stating the hearing officer's recommendations
30 concerning the application.

31 (5) (i) Subject to subparagraph (ii), within sixty (60)
32 days following receipt of the report, the secretary shall issue
33 a decision and serve the decision on all charter schools
34 included in the proposed consolidation and the authorizing
35 school district for each charter school included in the proposed
36 consolidation. In issuing a decision, the secretary shall
37 consider only whether the proposed consolidation is in
38 compliance with subsection (c).

39 (ii) If no authorizing school district for any charter
40 included in the proposed consolidation files a statement of its
41 objections with the department within thirty (30) days of the
42 submission date, the secretary shall issue the decision required
43 under subparagraph (i) within sixty (60) days of the submission
44 date. In issuing a decision under this subparagraph, the
45 secretary may request that the authorizing school districts and
46 the charter schools included in the proposed consolidation
47 provide any supplemental information the secretary deems
48 necessary in considering the application.

49 (6) A decision of the secretary under this section may be
50 appealed to the Commonwealth Court under 2 Pa.C.S. (relating to
51 administrative law and procedure).

1 (7) A proposed consolidation under this section shall not
2 require court approval under 20 Pa.C.S. Ch. 77 (relating to
3 trusts).

4 (c) A charter school that, within either of the two (2)
5 school years immediately preceding the submission date, has
6 failed to meet the requirements for student performance
7 specified in 22 Pa. Code Ch. 4 (relating to academic standards
8 and assessment), accepted standards of fiscal management or
9 audit requirements or performance standards of the matrix
10 established under section 1731.1-A shall not be eligible to
11 consolidate with another charter school, unless the
12 consolidation includes a charter school demonstrating that it
13 has satisfied the requirements for the most recent two (2)
14 school years.

15 (d) A multiple charter school organization may:

16 (1) Participate in the assessment system in the same manner
17 in which a school district participates, with its individual
18 charter schools within the organization participating in the
19 assessment system in the same manner as individual schools
20 within school districts. All data gathered for purposes of
21 evaluation shall be gathered in the same manner in which data is
22 gathered in the case of school districts and individual schools
23 within school districts. Nothing in this paragraph shall be
24 construed to alter the manner in which charter school
25 performance on assessments is measured as required under the No
26 Child Left Behind Act of 2001 (Public Law 107-110, 115 Stat.
27 1425), or its successor Federal statute.

28 (2) Allow a student enrolled in a charter school within the
29 organization to matriculate to another charter school within the
30 organization so as to complete a course of instruction in an
31 educational institution from kindergarten through grade twelve
32 or otherwise in the best interests of the student.

33 (3) Add existing charter schools to the organization
34 pursuant to the procedure specified in subsection (b). Only a
35 charter school already established under section 1717-A may be
36 added to a multiple charter school organization.

37 (e) The charter of each individual charter school within a
38 multiple charter school organization shall be subject to
39 nonrenewal or revocation by the authorizing school district for
40 the individual charter school pursuant to section 1729-A. The
41 nonrenewal or revocation of the charter of an individual charter
42 school within a multiple charter school organization shall not
43 affect the status of the charter of any other individual charter
44 school within the organization.

45 (f) The department shall develop and place on its publicly
46 accessible Internet website a standard application form that
47 charter schools shall use in applying for consolidation under
48 this section. The application form shall contain the following
49 information:

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

51 (2) The names of the charter schools included in the

1 proposed consolidation.

2 (3) A copy of the approved charter of each charter school
3 included in the proposed consolidation.

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

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

15 (6) A clear description of the method for the appointment or
16 election of members of the board of trustees of the proposed
17 organization.

18 (7) Standards for board of trustees performance which shall,
19 at a minimum, include compliance with all applicable laws,
20 regulations and terms of the charter of each charter school
21 included in the proposed organization.

22 (8) Enrollment procedures for each charter school included
23 in the proposed organization.

24 (9) Any other information as deemed necessary by the
25 department.

26 (g) Subject to subsection (a), nothing in this section shall
27 be construed to affect or change the terms or conditions of the
28 charters of any individual charter schools that are consolidated
29 under this section, including, but not limited to, any
30 obligation of a school district to provide transportation for
31 students enrolled in an individual charter school within a
32 multiple charter school organization.

33 (h) As used in this section, the following words and phrases
34 shall have the meanings given to them in this subsection unless
35 the context clearly indicates otherwise:

36 "Authorizing school district." The school district that
37 granted the initial charter of a charter school.

38 "Charter school." A charter school or regional charter
39 school.

40 "Decision." The secretary's written approval or rejection of
41 an application for consolidation.

42 "Multiple charter school organization" or "organization." A
43 multiple charter school organization established under this
44 section.

45 "Submission date." The date on which a consolidation
46 application is submitted to the department and the authorizing
47 school district for each charter school included in a proposed
48 consolidation.

49 Section 1731.1-A Performance Matrix.--(a) Within one (1)
50 year of the effective date of this section, the State Board of
51 Education shall develop a standard performance matrix to

1 evaluate charter school entity performance. Within one (1) year
2 of the effective date of this section, the State Board of
3 Education shall also propose regulations pursuant to the act of
4 June 25, 1982 (P.L.633, No.181), known as the "Regulatory Review
5 Act," to implement this section.

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

18 (c) In developing the performance matrix, the State Board of
19 Education shall determine an academic quality benchmark the
20 satisfaction of which shall qualify a charter school entity for
21 a ten (10) year renewal term pursuant to sections 1720-A(a) (2)
22 and 1745-A(f) (3). The academic quality benchmark shall be
23 included in the regulations required under subsection (a).

24 (d) In developing the performance matrix, the State Board of
25 Education may contract for consulting services with an entity
26 that has experience in developing performance matrices if the
27 services are procured through a competitive bidding process.

28 (e) Neither the department nor the local board of school
29 directors may develop a separate performance matrix for the
30 evaluation of a charter school entity.

31 (f) A local board of school directors shall utilize the
32 standard performance matrix as a primary factor in evaluating
33 new and renewal charter school and regional charter school
34 applicants and in annual monitoring and evaluation of charter
35 schools and regional charter schools.

36 (g) The department shall utilize the standard performance
37 matrix as a primary factor in evaluating new and renewal cyber
38 charter school applicants, in evaluating consolidation
39 applications under section 1729.2-A and in annual monitoring and
40 evaluation of cyber charter schools.

41 (h) In developing the performance matrix and promulgating
42 the regulations required under subsection (a), the State Board
43 of Education shall convene and consult with a Statewide advisory
44 committee which shall consist of representatives of the
45 department and a minimum of seven (7) representatives from
46 charter schools, regional charter schools, cyber charter
47 schools, school district personnel and institutions of higher
48 education with experience in the oversight of charter schools.
49 Members of the committee shall be selected to be representative
50 of the urban, rural and suburban areas of this Commonwealth.

51 (i) The Statewide advisory committee required to be convened

1 under subsection (h) shall be convened not later than thirty
2 (30) days after the effective date of this section and shall
3 meet regularly to fulfill requirements of this paragraph.

4 (j) The department shall distribute the performance matrix
5 to all school districts and shall publish the matrix on the
6 department's publicly accessible Internet website.

7 Section 18. Section 1732-A of the act, amended June 29, 2002
8 (P.L.524, No.88), is amended to read:

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

12 Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,
13 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
14 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),
15 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
16 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,
17 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
18 Article XIII-A and Article XIV.

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

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

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

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

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

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

40 65 Pa.C.S. Ch. 7 (relating to open meetings).

41 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial
42 disclosure).

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

45 [Section 5.216 (relating to ESOL).

46 Section 5.4 (relating to general policies).]

47 Chapter 4 (relating to academic standards and assessments).

48 Chapter 11 (relating to pupil attendance).

49 Chapter 12 (relating to students).

50 Section 32.3 (relating to assurances).

51 Section 121.3 (relating to discrimination prohibited).

1 Section 235.4 (relating to practices).
2 Section 235.8 (relating to civil rights).
3 Chapter 711 (relating to charter school services and programs
4 for children with disabilities).

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

7 (2) The secretary shall have the authority and the
8 responsibility to ensure that charter schools and regional
9 charter schools comply with Federal laws and regulations
10 governing children with disabilities. The secretary shall
11 promulgate regulations to implement this provision.

12 Section 19. The act is amended by adding a section to read:

13 Section 1733-A. Effect on Existing Charter School
14 Entities.--(a) Within one (1) year of the effective date of
15 this section, a charter school entity established under section
16 1717-A, 1718-A or 1745-A prior to the effective date of this
17 section shall amend the current charter through the amendment
18 process under sections 1720-A(c) and 1745-A(f)(5) as needed to
19 reflect the requirements of this article. Any renewal that takes
20 effect after July 15, 2013, shall be for the term specified
21 under sections 1720-A(a) and 1745-A(f)(3).

22 (b) A charter school entity approved after the effective
23 date of this section shall be in full compliance with this
24 article.

25 (c) Within sixty (60) days of the effective date of this
26 section, each charter school entity shall demonstrate to the
27 satisfaction of the local board of school directors or, in the
28 case of a cyber charter school, to the satisfaction of the
29 department that the charter school entity is in compliance with
30 sections 1332 and 1333, including the institution of truancy
31 proceedings when required under section 1333.

32 Section 20. Sections 1741-A(c), 1742-A and 1743-A(e) of the
33 act, added June 29, 2002 (P.L.524, No.88), are amended to read:
34 Section 1741-A. Powers and duties of department.

35 * * *

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

40 Section 1742-A. Assessment and evaluation.

41 The department shall:

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

47 (2) Annually review each cyber charter school's
48 performance on the Pennsylvania System of School Assessment
49 test, standardized tests and other performance indicators to
50 ensure compliance with 22 Pa. Code Ch. 4 (relating to
51 academic standards and assessment) or subsequent regulations

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

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

7 Section 1743-A. Cyber charter school requirements and
8 prohibitions.

9 * * *

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

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

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

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

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

22 * * *

23 Section 21. Section 1745-A(c), (e) and (f) of the act, added
24 June 29, 2002 (P.L.524, No.88), are amended and the section is
25 amended by adding a subsection to read:

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

27 * * *

28 (b.1) Local board of school directors or intermediate
29 unit.--

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

33 (2) Nothing in this article shall be construed to
34 preclude a school district or an intermediate unit from
35 offering instruction via the Internet or other electronic
36 means, except that the instruction shall not be recognized as
37 a cyber charter school under this article unless the school
38 district or intermediate unit establishes a cyber charter
39 school pursuant to subsections (a) and (b.1)(1).

40 (c) Attendance.--Attendance at a cyber charter school shall
41 satisfy requirements for compulsory attendance, subject to
42 penalties for violations of compulsory attendance requirements
43 under section 1333.

44 * * *

45 (e) Grant or denial.--Within 120 days of receipt of an
46 application, the department shall grant or deny the application.
47 The department shall review the application and shall hold at
48 least one public hearing under 65 Pa.C.S. Ch. 7 (relating to
49 open meetings). At least 30 days prior to the hearing, the
50 department shall publish in the Pennsylvania Bulletin and on the
51 department's [World Wide Web site] publicly accessible Internet

1 website notice of the hearing and the purpose of the
2 application.

3 (f) Evaluation criteria.--

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

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

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

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

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

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

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

29 (3) Upon approval of a cyber charter school application,
30 a written charter shall be developed which shall contain the
31 provisions of the charter application and be signed by the
32 secretary and each member of the board of trustees of the
33 cyber charter school. The charter, when duly signed, shall
34 act as legal authorization of the establishment of a cyber
35 charter school. The charter shall be legally binding on the
36 department, the cyber charter school and its board of
37 trustees. The charter [shall be for a period of no less than
38 three years nor more than five years and may be renewed for a
39 period of five years by the department.] term shall be as
40 follows:

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

43 (ii) Prior to the effective date of the regulations
44 implementing the performance matrix as required pursuant
45 to section 1731.1-A, a charter may be renewed for five-
46 year periods upon reauthorization by the department.

47 (iii) Upon the effective date of the regulations
48 implementing the performance matrix as required pursuant
49 to section 1731.1-A, the following shall apply:

50 (A) For cyber charter schools that have
51 satisfied the academic quality benchmark established

1 by the State Board of Education pursuant to section
2 1731.1-A, a charter may be renewed for ten-year
3 periods upon reauthorization by the department.

4 (B) For cyber charter schools that have not
5 satisfied the academic quality benchmark established
6 by the State Board of Education pursuant to section
7 1731.1-A, a charter may be renewed for five-year
8 periods upon reauthorization by the department.

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

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

14 (ii) Within 20 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 amendments 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 * * *

27 Section 22. Section 1749-A(a) of the act, added June 29,
28 2002 (P.L.524, No.88), is amended to read:
29 Section 1749-A. Applicability of other provisions of this act
30 and of other acts and regulations.

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

33 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
34 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,
35 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,
36 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
37 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,
38 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-
39 B, 1702-A, 1703-A, 1714-A, 1715-A, 1716-A, 1716.2-A, 1719-A,
40 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, 1725-A, 1727-A,
41 1728-A(d), (e), (f), (g) and (h), 1729-A, 1729.1-A, 1730-A,
42 1731-A(a) (1) and (b), 1731.1-A, 1733-A and 2014-A and
43 Articles [XII-A,] XIII-A and XIV.

44 (1.1) The act of July 19, 1957 (P.L.1017, No.451), known
45 as the State Adverse Interest Act.

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

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

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

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

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

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

16 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and
17 financial disclosure).

18 * * *

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

20 (1) The following provisions shall take effect
21 immediately:

22 (i) The addition of section 1733-A of the act.

23 (ii) This section.

24 (2) The addition of section 1729.2-A of the act shall
25 take effect upon the effective date of regulations
26 implementing the performance matrix required under section
27 1731.1-A of the act.

28 (3) The remainder of this act shall take effect in 60
29 days.