

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1 Session of 2021

INTRODUCED BY MARTIN, DiSANTO, CORMAN, ARGALL, MENSCH, SCAVELLO, STEFANO, REGAN, AUMENT AND HUTCHINSON, JUNE 4, 2021

REFERRED TO EDUCATION, JUNE 4, 2021

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
 2 act relating to the public school system, including certain  
 3 provisions applicable as well to private and parochial  
 4 schools; amending, revising, consolidating and changing the  
 5 laws relating thereto," in preliminary provisions, providing  
 6 for advertising and for mandate waiver program; in pupils and  
 7 attendance, providing for transfer of attendance records to  
 8 another school entity or nonpublic school; in terms and  
 9 courses of study, further providing for agreements with  
 10 institutions of higher education; in opportunities for  
 11 educational excellence, further providing for definitions and  
 12 for concurrent enrollment agreements; in charter schools,  
 13 further providing for definitions, for powers of charter  
 14 schools, for charter school requirements and for powers of  
 15 board of trustees, providing for duties of administrators,  
 16 further providing for establishment of charter school,  
 17 establishing the Public Charter School Commission and  
 18 providing for application process, further providing for  
 19 regional charter school, for contents of application, for  
 20 term and form of charter, for State Charter School Appeal  
 21 Board, for facilities, for enrollment, for school staff and  
 22 for funding for charter schools, providing for fee  
 23 prohibition, further providing for tort liability, for causes  
 24 for nonrenewal or termination, for multiple charter school  
 25 organizations, for charter school grants, for provisions  
 26 applicable to charter schools, for powers and duties of  
 27 department, for cyber charter school requirements and  
 28 prohibitions, for school district and intermediate unit  
 29 responsibilities, for establishment of cyber charter school,  
 30 for State Charter School Appeal Board review and for  
 31 applicability of other provisions of this act and of other  
 32 acts and regulations; and, in educational tax credits,  
 33 further providing for definitions, for qualification and  
 34 application by organizations, for application by business

1 firms, for tax credits, for limitations and for opportunity  
2 scholarships.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

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

8 Section 129. Advertising.--(a) A paid media advertisement  
9 by a public school entity that refers to the cost of tuition or  
10 other services, including transportation, computers, Internet or  
11 other electronic devices, may not advertise the expenses as  
12 free, and any reference to tuition or other services, including  
13 transportation, computers, Internet or other electronic device  
14 costs, must stipulate that the cost is covered by taxpayer  
15 dollars. A paid media advertisement shall include a television,  
16 radio or movie theater advertisement, billboard, bus poster,  
17 newspaper, magazine, publicly accessible Internet website or any  
18 other commercial method that may promote enrollment in a public  
19 school entity.

20 (b) For the purposes of this section, the term "public  
21 school entity" shall mean a school district, charter school,  
22 cyber charter school, regional charter school, intermediate unit  
23 or area career and technical school.

24 Section 130. Mandate Waiver Program.--(a) Except as  
25 otherwise provided in this section, a governing body may adopt a  
26 resolution to apply to the department for a waiver of one or  
27 more provisions of this act, regulations of the State Board,  
28 standards of the secretary, policies or guidance of the  
29 department or any other provisions of law permitted to be waived  
30 under this section to enable the school entity to improve  
31 instructional programs or operate in a more effective, efficient

1 or economical manner.

2 (b) The application for a waiver shall be submitted in a  
3 manner and on a form established by the department. The  
4 application may only require an applicant to:

5 (1) Specify the provisions of this act, regulations of the  
6 State Board, standards of the secretary or policies or guidance  
7 of the department for which the applicant is seeking a waiver.

8 (2) Include the reasons why the waiver is being requested.

9 (3) Provide supporting data or information to explain the  
10 benefits expected to be obtained as a result of the waiver.

11 (c) Each application for waiver must be adopted by a  
12 resolution of a governing body at a regularly scheduled meeting  
13 of the governing body. Approval from the department shall be  
14 required prior to implementing the waiver.

15 (d) The department, in considering each waiver application:

16 (1) May not impose additional requirements on the waiver  
17 applicant other than the requirements specified in this section.

18 (2) Shall approve a waiver application that:

19 (i) Complies with the application process and provides the  
20 information required in the application form developed by the  
21 department under subsection (b).

22 (ii) Does not conflict with a provision of Federal law or  
23 regulation or other law or regulation that is not permitted to  
24 be waived under this section.

25 (e) The department shall have thirty (30) days from receipt  
26 of the waiver application to issue a written approval or  
27 disapproval or request modifications to the application. If the  
28 department fails to act within the time period, the waiver  
29 application shall be deemed to be approved.

30 (f) The following shall apply:

1 (1) If the department requests modification to or  
2 disapproves the waiver application, the specific reasons for the  
3 department's request or disapproval shall be transmitted to the  
4 waiver applicant.

5 (2) If the department denies an application, the response to  
6 the applicant shall include an explanation of any provision of  
7 law, regulation of the State Board, standard of the secretary or  
8 policies or guidance of the department that is not subject to  
9 waiver under this section and would be violated if the  
10 application were granted.

11 (3) The waiver applicant may submit a revised application  
12 for a waiver in accordance with subsection (c).

13 (4) A waiver applicant may appeal a disapproval to the  
14 secretary pursuant to 2 Pa.C.S. Chs. 5 (relating to practice and  
15 procedure) and 7 (relating to judicial review). A waiver  
16 applicant may not be required to revise and resubmit the waiver  
17 application prior to appealing a disapproval.

18 (g) A waiver shall remain in effect permanently unless  
19 rescinded by the governing body or found by a court of competent  
20 jurisdiction to be in violation of subsection (d)(2)(ii).

21 (h) The following shall not be subject to waiver under this  
22 section:

23 (1) The following provisions of this act: sections 106, 108,  
24 110, 111, 111.1, 321, 322, 323, 324, 325, 326, 327, 328, 431,  
25 436, 437, 440.1, 443, 513, 518, 527, 701.1, 708, 740, 741, 751,  
26 752, 753, 771, 776, 785, 808, 809, 810, 1073, 1073.1, 1076,  
27 1077, 1080, 1302, 1303, 1310, 1310.1, 1317, 1317.2, 1318, 1327,  
28 1327.1, 1327.2, 1330, 1332, 1361, 1366, 1501, 1502, 1513, 1517,  
29 1518, 1521, 1523, 1526, 1546 and 1547, provisions prohibiting  
30 discrimination, Articles VI, VI-A, XI, XI-A, XII, XIII-A, XIII-

1 B, XIII-C, XIII-D, XIII-E, XIV, XVII-A and this section.

2 (2) The following provisions of 22 Pa. Code (relating to  
3 education):

4 Chapter 4 (relating to academic standards and assessment).

5 Chapter 10 (relating to safe schools).

6 Chapter 11 (relating to student attendance).

7 Chapter 12 (relating to students and student services).

8 Chapter 14 (relating to special education services and  
9 programs).

10 Chapter 15 (relating to protected handicapped students).

11 Chapter 16 (relating to special education for gifted  
12 students).

13 Chapter 235 (relating to Code of Professional Practice and  
14 Conduct for Educators).

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

17 (3) For intermediate units, Article IX-A and 22 Pa. Code  
18 Ch. 17 (relating to intermediate units).

19 (4) For area career and technical schools, Article XVIII and  
20 22 Pa. Code Ch. 339 (related to vocational education).

21 (i) The department shall maintain and annually update a  
22 listing of all approved waiver applications on the department's  
23 publicly accessible Internet website. The listing shall include  
24 the name of the school entity and the provisions of law,  
25 regulation, standard of the secretary or policies or guidance of  
26 the department for which waivers were granted.

27 (j) Nothing in this section shall be construed to supersede  
28 or preempt a provision of a collective bargaining agreement in  
29 effect on the effective date of this subsection.

30 (k) As used in this section, the following words and phrases

1 shall have the meanings given to them in this subsection unless  
2 the context clearly indicates otherwise:

3 "Department." The Department of Education of the  
4 Commonwealth.

5 "Governing body." A board of school directors or other  
6 governing authority of a school entity.

7 "School entity." A school district, charter school, cyber  
8 charter school, regional charter school, area career and  
9 technical school or intermediate unit.

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

11 "State Board." The State Board of Education.

12 "Waiver applicant." A school entity that applies for a  
13 waiver under this section.

14 Section 1313.2. Transfer of Attendance Records to Another  
15 School Entity or Nonpublic School.--(a) The following shall  
16 apply:

17 (1) If a student transfers to another school entity or  
18 nonpublic school within this Commonwealth, a copy of the  
19 student's attendance record shall be transmitted to the school  
20 entity or nonpublic school to which the student has transferred.

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

23 (3) The sending school entity or nonpublic school shall have  
24 ten (10) days from the receipt of the request to provide a copy  
25 of the student's attendance record.

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

1 (c) For purposes of this section, the term "school entity"  
2 means a school district, charter school, cyber charter school,  
3 regional charter school, intermediate unit or area career and  
4 technical school.

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

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

21 Section 3. The definitions of "concurrent student" and  
22 "school entity" in section 1602-B of the act are amended to  
23 read:

24 Section 1602-B. Definitions.

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

28 \* \* \*

29 "Concurrent student." A student who is enrolled in a school  
30 district, a charter school, a regional charter school, a cyber

1 charter school, an area career and technical school, a nonpublic  
2 school, a private school or a home education program under  
3 section 1327.1 and who takes a concurrent course through a  
4 concurrent enrollment program.

5 \* \* \*

6 "School entity." A school district, charter school, regional  
7 charter school, cyber charter school or an area career and  
8 technical school.

9 \* \* \*

10 Section 4. Section 1613-B of the act is amended by adding a  
11 subsection to read:

12 Section 1613-B. Concurrent enrollment agreements.

13 \* \* \*

14 (c) Charter schools, regional charter schools and cyber  
15 charter schools.--Charter schools, regional charter schools and  
16 cyber charter schools shall have the power and authority to  
17 enter into a concurrent enrollment agreement with an institution  
18 of higher education. Appropriate credit shall be awarded to  
19 students concurrently enrolled under an agreement under this  
20 subsection.

21 Section 5. Sections 1703-A, 1714-A, 1715-A and 1716-A of the  
22 act are amended to read:

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

24 "Administrator" shall include an employe of a charter school  
25 entity, including the chief administrator of a charter school  
26 entity and any other employe, who by virtue of the employe's  
27 position is responsible for taking official action of a  
28 nonministerial nature with regard to contracting or procurement,  
29 administering or monitoring grants or subsidies, managing or  
30 regulating staff, student and school activities or any activity



1 where the official action has an economic impact of greater than  
2 a de minimis nature on the interests of any person.

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

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

6 (2) for a regional charter school, the aid ratio and market  
7 value/income aid ratio shall be a composite, as determined by  
8 the department, based on the school districts that granted the  
9 charter; or

10 (3) for a cyber charter school, the aid ratio and market  
11 value/income aid ratio shall be that of the school district in  
12 which the administrative offices of the cyber charter school are  
13 located.

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

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

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

27 "Charter school" shall mean an independent public school  
28 established and operated under a charter from the local board of  
29 school directors and in which students are enrolled or attend. A  
30 charter school must be organized as a public, nonprofit

1 corporation. Charters may not be granted to any for-profit  
2 entity.

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

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

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

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

18 "Commission" shall mean the Public Charter School Commission  
19 established under section 1717.1-A.

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

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

1 "Educational management service provider" shall mean a  
2 nonprofit charter management organization, for-profit education  
3 management organization, school design provider or business  
4 manager with which a board of trustees of a charter school  
5 entity contracts to provide educational design, business  
6 services, comprehensive management or personnel functions or to  
7 implement the charter. The term shall not include a charter  
8 school foundation.

9 "Family member" shall mean a parent, child, stepchild,  
10 spouse, brother or sister.

11 "Local board of school directors" shall mean the board of  
12 directors or other governing authority of a school district in  
13 which a proposed or an approved charter school is located.

14 "Nonrelated" shall mean an individual who is not a family  
15 member.

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

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

27 "School entity" shall mean a school district, intermediate  
28 unit, joint school or area career and technical school.

29 "Secretary" shall mean the Secretary of Education of the  
30 Commonwealth.

1 "State board" shall mean the State Board of Education of the  
2 Commonwealth.

3 Section 1714-A. Powers of Charter [Schools] School  
4 Entities.--(a) A charter school entity established under this  
5 act is a body corporate and shall have all powers necessary or  
6 desirable for carrying out its charter, including, but not  
7 limited to, the power to:

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

10 (2) Sue and be sued, but only to the same extent and upon  
11 the same condition that political subdivisions and local  
12 agencies can be sued.

13 (3) Acquire real property from public or private sources by  
14 purchase, lease, lease with an option to purchase or gift for  
15 use as a charter school entity facility.

16 (4) Receive and disburse funds for charter school entity  
17 purposes only.

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

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

22 (6.1) Incur debt for the construction of school facilities.

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

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

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

1 upon the Commonwealth.

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

5 (1) Except as otherwise provided in this article, a charter  
6 school entity is exempt from statutory requirements established  
7 in this act, from regulations of the State board and the  
8 standards of the secretary not specifically applicable to  
9 charter [schools] school entities. Charter [schools] school  
10 entities are not exempt from statutes applicable to public  
11 schools other than this act.

12 (2) A charter school entity shall be accountable to the  
13 parents, the public and the Commonwealth, with the delineation  
14 of that accountability reflected in the charter. Strategies for  
15 meaningful parent and community involvement shall be developed  
16 and implemented by each school.

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

19 (4) A charter school entity shall be nonsectarian in all  
20 operations.

21 (5) [A charter school shall not provide any religious  
22 instruction, nor shall it display religious objects and symbols  
23 on the premises of the charter school.] The following shall  
24 apply:

25 (i) Subject to subparagraph (ii), a charter school entity  
26 may not provide religious instruction and may not display  
27 religious objects and symbols on the premises of the charter  
28 school entity.

29 (ii) It shall not be a violation of this paragraph for a  
30 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 do not contain religious symbols and objects.

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

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

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

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

27 (10) [**Boards**] Charter school entities, boards of trustees  
28 and contractors of charter [**schools**] school entities shall be  
29 subject to the following statutory requirements governing  
30 construction projects and construction-related work:

1 (i) The following provisions of this act:

2 (A) Sections 751 and 751.1.

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

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

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

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

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

14 [(11) Trustees of a charter school shall be public  
15 officials.]

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

30 (b) A charter school entity shall form an independent audit

1 committee of its board of trustees members which shall review at  
2 the close of each fiscal year a complete certified audit of the  
3 operations of the charter school entity. The audit shall be  
4 conducted by a qualified independent certified public  
5 accountant. The audit shall be conducted under generally  
6 accepted audit standards of the Governmental Accounting  
7 Standards Board and shall include the following:

8 (1) An enrollment test to verify the accuracy of student  
9 enrollment and reporting to the Commonwealth.

10 (2) Full review of expense reimbursements for members of the  
11 board of trustees and administrators, including sampling of each  
12 reimbursement.

13 (3) Review of internal controls, including review of  
14 receipts and disbursements.

15 (4) Review of annual Federal and State tax filings,  
16 including the Internal Revenue Service Form 990, Return of  
17 Organization Exempt from Income Tax and each related schedule  
18 and appendix for the charter school entity and charter school  
19 foundation, if applicable.

20 (5) Review of the financial statements of any charter school  
21 foundation.

22 (6) Review of the selection and acceptance process of each  
23 contract publicly bid pursuant to section 751.

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

30 (c) A charter school entity may be subject to an annual



1 audit by the Auditor General, in addition to any other audits  
2 required by Federal law or this act.

3 (d) A charter school entity shall annually provide the  
4 department and, for a charter school or regional charter school,  
5 shall annually provide the school district with a copy of the  
6 annual budget for the operation of the charter school entity. A  
7 charter school entity authorized by the commission under section  
8 1717.2-A shall annually provide the department and the  
9 commission with a copy of the annual budget for the operation of  
10 the charter school entity. A copy of the annual budget under  
11 this subsection shall identify all of the following:

12 (1) The source of funding for each expenditure.

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

15 (3) The salaries of each administrator of the charter school  
16 entity.

17 (4) Each expenditure to an educational management service  
18 provider.

19 (e) The annual budgets under subsection (d) are public  
20 documents and shall be made available on the charter school  
21 entity's publicly accessible Internet website, if available,  
22 and, for a charter school or regional charter school, on the  
23 school district's publicly accessible Internet website.

24 (f) The charter school foundation shall make copies of its  
25 annual budget available upon request and on the foundation's or  
26 the charter school entity's publicly accessible Internet website  
27 within thirty (30) days of the close of the charter school  
28 foundation's fiscal year. The annual budget shall include the  
29 salaries of each employe of the charter school foundation.

30 Section 1716-A. Powers and Duties of Board of Trustees.--(a)

1 The board of trustees of a charter school entity shall have the  
2 authority to decide matters related to the operation of the  
3 school, including, but not limited to, budgeting, curriculum and  
4 operating procedures, subject to the school's charter. The board  
5 shall have the authority to employ, discharge and contract with  
6 necessary professional and nonprofessional employes subject to  
7 the school's charter and the provisions of this article.

8 (b) No member of a local board of school directors of a  
9 school entity shall serve on the board of trustees of a charter  
10 school entity that is located in the member's district.

11 (b.1) (1) An individual may not serve as a voting member of  
12 the board of trustees of the charter school or regional charter  
13 school if the individual or a family member receives  
14 compensation from or is employed by or is a member of the local  
15 board of school directors who participated in the initial  
16 review, approval, oversight, evaluation or renewal process of  
17 the charter school or regional charter school chartered by that  
18 board.

19 (2) An employe of the school district that chartered a  
20 charter school or regional charter school may serve as a member  
21 of the board of trustees of the charter school or regional  
22 charter school without voting privileges.

23 (b.2) A member of the board of trustees of a charter school  
24 entity shall take the oath of office as required under section  
25 321 before entering upon the duties of their office.

26 (b.3) A member of the board of trustees of a charter school  
27 entity shall be considered a public official subject to the  
28 provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards  
29 and financial disclosures).

30 (b.4) A member of the board of trustees of a charter school

1 entity may not be compensated for duties on the board of  
2 trustees.

3 (b.5) A member of the board of trustees of a charter school  
4 entity shall be automatically disqualified and immediately  
5 removed from the board of trustees upon conviction for an  
6 offense graded as a felony, an infamous crime, an offense  
7 pertaining to fraud, theft or mismanagement of public funds, any  
8 offense pertaining to the member's official capacity as a member  
9 of the board of trustees or any crime 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) The board of trustees of a charter school entity  
14 shall consist of a minimum of five (5) nonrelated voting  
15 members.

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

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

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

30 Section 6. The act is amended by adding a section to read:

1 Section 1716.2-A. Duties of Administrators.--(a) An  
2 individual who serves as an administrator for a charter school  
3 entity shall be considered a public employe subject to the  
4 provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards  
5 and financial disclosures).

6 (b) (1) An administrator for a charter school entity may  
7 not receive compensation from another charter school entity or  
8 from an educational management service provider, unless:

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

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

17 (2) A copy of the sworn statement under clause (1)(i) and  
18 the resolution by the board of trustees granting the permission  
19 under clause (1)(ii) shall be provided to, and kept on file  
20 with, the charter school entity and the local board of school  
21 directors or, in the case of a cyber charter school, the  
22 department or, in the case of a charter school entity authorized  
23 under section 1717.2-A, the commission.

24 (c) An administrator of a charter school entity or family  
25 member of the administrator may not serve as a voting member of  
26 the board of trustees of the charter school entity that employs  
27 the administrator.

28 (d) An administrator shall be immediately dismissed upon  
29 conviction for an offense graded as a felony, an infamous crime,  
30 an offense pertaining to fraud, theft or mismanagement of public

1 funds or any crime involving moral turpitude.

2 Section 7. Section 1717-A of the act is amended to read:

3 Section 1717-A. Establishment of Charter School.--(a) A  
4 charter school may be established by an individual; one or more  
5 teachers who will teach at the proposed charter school; parents  
6 or guardians of students who will attend the charter school; any  
7 nonsectarian college, university or museum located in this  
8 Commonwealth; any nonsectarian corporation not-for-profit, as  
9 defined in 15 Pa.C.S. (relating to corporations and  
10 unincorporated associations); any corporation, association or  
11 partnership; or any combination thereof. A charter school may be  
12 established by creating a new school or by converting an  
13 existing public school or a portion of an existing public  
14 school. No charter school shall be established or funded by and  
15 no charter shall be granted to any sectarian school, institution  
16 or other entity. No funds allocated or disbursed under this  
17 article shall be used to directly support instruction pursuant  
18 to section 1327.1.

19 (b) (1) The conversion of an existing public school or  
20 portion of an existing public school to a charter school may be  
21 initiated by any individual or entity authorized to establish a  
22 charter school under subsection (a).

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

25 (i) More than fifty per centum of the teaching staff in the  
26 public school have signed a petition in support of the public  
27 school becoming a charter school; and

28 (ii) More than fifty per centum of the parents or guardians  
29 of pupils attending that public school have signed a petition in  
30 support of the school becoming a charter school.

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

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

14 (c.1) Notwithstanding subsection (c), an individual under  
15 subsection (a) may submit an application for the establishment  
16 of a charter school to the commission for consideration under  
17 section 1717.2-A.

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

30 (e) (1) Not later than seventy-five (75) days after the

1 first public hearing on the application, the local board of  
2 school directors shall grant or deny the application. For a  
3 charter school beginning in the 1997-1998 school year, the local  
4 board of school directors shall grant or deny the application no  
5 later than sixty (60) days after the first public hearing.

6 (2) A charter school application submitted under [this  
7 article] subsection (c) shall be evaluated by the local board of  
8 school directors based on criteria, including, but not limited  
9 to, the following:

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

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

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

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

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

26 (4) A charter application shall be deemed approved by the  
27 local board of school directors of a school district upon  
28 affirmative vote by a majority of all the directors. Formal  
29 action approving or denying the application shall be taken by  
30 the local board of school directors at a public meeting, with

1 notice or consideration of the application given by the board,  
2 under [the "Sunshine Act."] 65 Pa.C.S. Ch. 7.

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

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

27 (g) Notwithstanding the provisions of subsection (e) (5),  
28 failure by the local board of directors to hold a public hearing  
29 and to grant or deny the application for a charter school within  
30 the time periods specified in subsections (d), (e) and (f) shall



1 permit the applicant for a charter to file its application as an  
2 appeal to the appeal board. In such case, the appeal board shall  
3 meet within thirty (30) days to review the application and make  
4 a decision to grant or deny a charter based on the criteria  
5 established in subsection (e) (2) [.] within sixty (60) days  
6 following the review. Failure by the appeal board to meet the  
7 time periods specified under this subsection shall deem the  
8 charter application approved.

9 (h) In the case of a review by the appeal board of an  
10 application that is revoked or is not renewed, the appeal board  
11 shall make its decision based on the criteria established in  
12 subsection (e) (2). A decision by the appeal board under this  
13 subsection, subsection (g) or section 1717.2-A(c) to grant, to  
14 renew or not to revoke a charter shall serve as a requirement  
15 for the commission or local board of directors of a school  
16 district or school districts, as appropriate, to sign the  
17 written charter of the charter school as provided for in section  
18 1717.2-A or 1720-A. Should the commission or local board of  
19 directors fail to grant the application and sign the charter  
20 within ten (10) days of notice of reversal of the decision of  
21 the commission or local board of directors, the charter shall be  
22 deemed to be approved and shall be signed by the chairman of the  
23 appeal board.

24 (i) (1) The appeal board shall have the exclusive review of  
25 an appeal by a charter school applicant, or by the board of  
26 trustees of an existing charter school, of a decision made by  
27 the commission or a local board of directors not to grant a  
28 charter as provided in this section or section 1717.2-A.

29 (2) In order for a charter school applicant to be eligible  
30 to appeal the denial of a charter by the local board of

1 directors, the applicant must obtain the signatures of at least  
2 two per centum of the residents of the school district or of one  
3 thousand (1,000) residents, whichever is less, who are over  
4 eighteen (18) years of age. For a regional charter school, the  
5 applicant must obtain the signatures of at least two per centum  
6 of the residents of each school district granting the charter or  
7 of one thousand (1,000) residents from each of the school  
8 districts granting the charter, whichever is less, who are over  
9 eighteen (18) years of age. The signatures shall be obtained  
10 within sixty (60) days of the denial of the application by the  
11 local board of directors in accordance with clause (3).

12 (3) Each person signing a petition to appeal denial of a  
13 charter under clause (2) shall declare that he or she is a  
14 resident of the school district which denied the charter  
15 application and shall include his or her printed name;  
16 signature; address, including city, borough or township, with  
17 street and number, if any; and the date of signing. All pages  
18 shall be bound together. Additional pages of the petition shall  
19 be numbered consecutively. There shall be appended to the  
20 petition a statement that the local board of directors rejected  
21 the petition for a charter school, the names of all applicants  
22 for the charter, the date of denial by the board and the  
23 proposed location of the charter school. No resident may sign  
24 more than one petition relating to the charter school  
25 application within the sixty (60) days following denial of the  
26 application. The department shall develop a form to be used to  
27 petition for an appeal.

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

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

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

5 (iii) That the signers signed with full knowledge of the  
6 purpose of the petition.

7 (iv) That the signers' respective residences are correctly  
8 stated in the petition.

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

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

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

14 (5) If the required number of signatures are obtained within  
15 sixty (60) days of the denial of the application, the applicant  
16 may present the petition to the court of common pleas of the  
17 county in which the charter school would be situated. The court  
18 shall hold a hearing only on the sufficiency of the petition.  
19 The applicant and local board of school directors shall be given  
20 seven (7) days' notice of the hearing. The court shall issue a  
21 decree establishing the sufficiency or insufficiency of the  
22 petition. If the petition is sufficient, the decree shall be  
23 transmitted to the State Charter School Appeal Board for review  
24 in accordance with this section. Notification of the decree  
25 shall be given to the applicant and the local board of  
26 directors[.] and the appeal board shall give notice of  
27 acceptance of the appeal to the applicant within thirty (30)  
28 days following receipt of the decree.

29 (6) In any appeal, the decision made by the commission or  
30 local board of directors shall be reviewed by the appeal board

1 on the record as certified by the commission or local board of  
2 directors. The appeal board shall give due consideration to the  
3 findings of the commission or local board of directors and  
4 specifically articulate its reasons for agreeing or disagreeing  
5 with those findings in its written decision. The appeal board  
6 shall have the discretion to allow the commission or local board  
7 of directors and the charter school applicant to supplement the  
8 record if the supplemental information was previously  
9 unavailable.

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

13 (8) Not later than sixty (60) days following the review  
14 conducted pursuant to clause (6), the appeal board shall issue a  
15 written decision affirming or denying the appeal. If the appeal  
16 board has affirmed the decision of the commission or local board  
17 of directors, notice shall be provided to [both parties.] the  
18 charter school applicant and either the commission or local  
19 board of directors, as appropriate.

20 (8.1) Failure by the appeal board to satisfy the time  
21 periods specified under clauses (7) and (8) shall deem the  
22 charter application approved, renewed or not revoked.

23 (9) A decision of the appeal board to reverse the decision  
24 of the commission or local board of directors shall serve as a  
25 requirement for the commission or local board of directors of a  
26 school district or school districts, as appropriate, to grant  
27 the application and sign the written charter of the charter  
28 school as provided for in section 1717.2-A or 1720-A. Should the  
29 commission or local board of directors fail to grant the  
30 application and sign the charter within ten (10) days of notice

1 of the reversal of the decision of the commission or local board  
2 of directors, the charter shall be deemed to be approved and  
3 shall be signed by the chairman of the appeal board.

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

6 (11) In the case of a charter school applicant appealing the  
7 denial of a charter by the commission, clauses (2), (3), (4) and  
8 (5) shall also apply.

9 Section 7.1. The act is amended by adding sections to read:

10 Section 1717.1-A. Public Charter School Commission.--(a)  
11 The Public Charter School Commission is established within the  
12 Commonwealth. The purpose of the commission shall be to act as  
13 an authorizer of high-quality public charter schools throughout  
14 this Commonwealth.

15 (b) The commission shall consist of citizens of this  
16 Commonwealth who shall be appointed as follows:

17 (1) One (1) member who shall be appointed by the Governor by  
18 and with the consent of a majority of the members of the Senate.

19 (2) Six (6) members who shall be appointed by the General  
20 Assembly as follows:

21 (i) The President pro tempore of the Senate shall appoint  
22 two (2) members.

23 (ii) The Minority Leader of the Senate shall appoint one (1)  
24 member.

25 (iii) The Speaker of the House of Representatives shall  
26 appoint two (2) members.

27 (iv) The Minority Leader of the House of Representatives  
28 shall appoint one (1) member.

29 (3) Members appointed to the commission shall collectively  
30 possess strong experience and expertise in public and nonprofit

1 governance, management and finance, public school leadership,  
2 assessment, curriculum and instruction and public education law.

3 (c) The following shall apply to terms:

4 (1) To establish staggered terms of office, the appointment  
5 of the Governor, the first appointment of the President pro  
6 tempore of the Senate and the first appointment of the Speaker  
7 of the House shall serve an initial term of four (4) years.

8 (2) The appointment of the Minority Leader of the Senate and  
9 the Minority Leader of the House of Representatives shall serve  
10 an initial term of two (2) years.

11 (3) All remaining and subsequent appointments shall be for  
12 terms of three (3) years.

13 (4) Initial appointments shall be made no later than thirty  
14 (30) days after the effective date of this section. Members may  
15 be reappointed, except that no member shall serve more than  
16 three (3) consecutive terms.

17 (d) A member of the commission shall be automatically  
18 disqualified and immediately removed from the commission upon  
19 conviction for an offense graded as a felony, an infamous crime,  
20 an offense pertaining to fraud, theft or mismanagement of public  
21 funds, an offense pertaining to the member's official capacity  
22 as a member of the commission or a crime involving moral  
23 turpitude.

24 (e) A member of the commission shall be considered a public  
25 official subject to 65 Pa.C.S. Ch.11 (relating to ethics  
26 standards and financial disclosures).

27 (f) A member of the commission shall serve without pay  
28 except that the member may receive reimbursement for any  
29 reasonable and necessary expenses incurred by reason of service  
30 on the commission.

1 (g) If a vacancy occurs on the commission by death,  
2 resignation or removal, the original appointing authority shall  
3 appoint a qualifying individual to serve as a member of the  
4 commission for the balance of the unexpired term.

5 (h) The following shall apply to operations:

6 (1) The members of the commission shall annually elect from  
7 among the membership one (1) individual to serve as chairperson.  
8 For death, resignation or removal of the member selected to be  
9 chairperson, another member shall be selected from among the  
10 membership to serve as chairperson for the remainder of the  
11 annual term.

12 (2) A majority of the members of the commission, except for  
13 a position that may be vacant, shall constitute a quorum  
14 sufficient for conducting the business of the commission.

15 (3) The commission shall meet at the call of the  
16 chairperson, or by a request of the majority of the members, and  
17 shall comply with 65 Pa.C.S. Ch. 7 (relating to open meetings).

18 (i) The following shall apply to personnel and resources:

19 (1) Subject to rules as may be made by the commission, the  
20 chairperson shall have the power to appoint, terminate and fix  
21 the pay of an executive director and other personnel deemed  
22 necessary to fulfill the purpose of the commission.

23 (2) The chairperson, on behalf of the commission, shall  
24 submit an annual budget request to the Governor, the chairperson  
25 and minority chairperson of the Appropriations Committee of the  
26 Senate and the chairperson and minority chairperson of the  
27 Appropriations Committee of the House of Representatives no  
28 later than November 1, 2021, and November 1 each year  
29 thereafter.

30 (3) The General Assembly shall consider the budget request

1 and make an annual appropriation to the commission for the  
2 salary and benefits of the executive director and other  
3 necessary expenses.

4 (4) The department shall provide administrative support,  
5 office space, meeting space and any other assistance required by  
6 the commission to carry out its duties under this section.

7 (j) The following shall apply:

8 (1) As an authorizer of charter school entities, the  
9 commission shall:

10 (i) Receive and evaluate applications to ensure the  
11 applications meet the requirements under this article and make  
12 approval or denial decisions.

13 (ii) Execute charters, consistent with approved  
14 applications, between the commission and charter school entities  
15 detailing the rights and responsibilities of the commission and  
16 the charter school entity and setting forth the academic and  
17 operational performance expectations and measures by which the  
18 charter school entity will be judged. The commission may choose  
19 to make the approved application the charter.

20 (2) Monitor on a regular basis the performance of the  
21 charter school entities the commission oversees. The commission  
22 shall have ongoing access to the records and facilities of the  
23 charter school entity to ensure the charter school entity is in  
24 compliance with its charter and this act and that requirements  
25 for testing, civil rights and student health and safety are  
26 being met.

27 Section 1717.2-A. Application Process.--(a) In reviewing  
28 and evaluating charter applications, the commission shall employ  
29 procedures, practices and criteria consistent with this article  
30 and shall adopt approval criteria by resolution at a public



1 meeting of the commission pursuant to 65 Pa.C.S. Ch. 7 (relating  
2 to open meetings). The application review process shall include  
3 thorough evaluation of each written charter application and an  
4 opportunity in a public hearing under 65 Pa.C.S. Ch.7 for local  
5 residents to learn about and provide input on each application.  
6 At least thirty (30) days prior to the hearing, the commission  
7 shall transmit notice of the hearing and the purpose of the  
8 application to the Legislative Reference Bureau for publication  
9 in the Pennsylvania Bulletin. The commission shall grant the  
10 applicant a reasonable time to provide additional materials and  
11 amendments to its application to address any identified  
12 deficiencies.

13 (b) In deciding whether to approve charter applications, the  
14 commission shall:

15 (1) Grant charters only to applicants that have demonstrated  
16 competence in each element of the commission's published  
17 approval criteria and which are likely to open and operate a  
18 successful charter school entity.

19 (2) Base decisions on documented evidence collected through  
20 the application review process.

21 (3) Follow charter-granting policies and practices that are  
22 transparent, based on merit and are void of a conflict of  
23 interest or an appearance of a conflict of interest.

24 (c) No later than seventy-five (75) days after the filing of  
25 a charter application, the commission shall approve or deny the  
26 charter application. The commission shall adopt by resolution  
27 each charter approval or denial decision in a public meeting  
28 pursuant to 65 Pa.C.S. Ch. 7. Failure to approve or deny the  
29 charter within seventy-five (75) days of receiving the charter  
30 application shall permit the applicant to file its application

1 as an appeal to the appeal board. The appeal board shall review  
2 the application within thirty (30) days of receipt and make a  
3 decision to grant or deny a charter based on the criteria  
4 established under subsection (a) within sixty (60) days  
5 following the review. Failure by the appeal board to meet the  
6 time periods specified under this subsection shall deem the  
7 charter application approved.

8 (c.1) Upon approval of a charter application under  
9 subsection (c), a written charter shall be developed containing  
10 the provisions of the charter application. This written charter  
11 may not contain any provision requiring a charter school entity  
12 to forfeit the charter school entity's due process rights under  
13 this article to appeal with the appeal board. The written  
14 charter shall be signed by the commission or the chair of the  
15 appeal board in accordance with sections 1717-A(i) (9) or 1746-  
16 A(b) (4) and the charter school entity's board of trustees. The  
17 written charter, when duly signed, shall act as legal  
18 authorization for the establishment of the charter school entity  
19 and shall be legally binding on the commission and the charter  
20 school entity's board of trustees.

21 (d) An approval decision may include, if appropriate,  
22 reasonable conditions, excluding enrollment caps, that the  
23 charter applicant must meet before a charter may be executed. An  
24 initial charter executed under this subsection shall be for a  
25 period of no less than three (3) years and no more than five (5)  
26 years.

27 (e) For a charter denial, the commission shall clearly state  
28 in the resolution adopted under subsection (c) the commission's  
29 reasons for denial. A denied applicant may reapply to the  
30 commission or appeal the decision to the appeal board for

1 consideration under section 1717-A(i) or 1746-A.

2 (f) Within fifteen (15) days of taking action to approve or  
3 deny a charter application, the commission shall provide a copy  
4 of the resolution adopted under subsection (c) to the  
5 department.

6 (g) The following shall apply to renewals, revocations and  
7 nonrenewals:

8 (1) A charter may be renewed for five (5) year periods upon  
9 reauthorization by the commission. Notwithstanding this  
10 paragraph, the commission may renew a charter for a period of  
11 one (1) year based on the performance, demonstrated capacities  
12 and particular circumstances of the applicant. The commission  
13 may grant renewal with specific conditions for necessary  
14 improvements to a charter school renewal applicant, except that  
15 the commission may not impose conditions inconsistent with this  
16 article.

17 (2) By November 1 of the final year of the charter approved  
18 under subsection (c), a charter school entity seeking renewal  
19 shall submit a renewal application to the commission. The  
20 commission shall approve or deny the renewal application by  
21 resolution at a public meeting by March 31 of the ensuing year.

22 (3) During the term of the charter or at the end of the term  
23 of the charter, the commission may choose to revoke or not to  
24 renew the charter based on any of the following:

25 (i) A material violation of a condition, standard or  
26 procedure contained in the charter signed under subsection  
27 (c.1).

28 (ii) A failure to meet or make progress toward the  
29 performance expectations under 22 Pa. Code Ch. 5 (relating to  
30 curriculum) or subsequent regulations promulgated to replace 22

1 Pa. Code Ch. 5 or performance standards in an approved charter.

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

4 (iv) A violation of this article.

5 (v) A violation of a provision of law from which the charter  
6 school entity has not been exempted, including Federal laws and  
7 regulations governing children with disabilities.

8 (vi) A conviction of fraud of the charter school entity.

9 (4) A notice of revocation or nonrenewal of a charter by the  
10 commission shall state the grounds for the action with  
11 reasonable specificity and give reasonable notice to the  
12 governing board of the charter school entity of the date on  
13 which a public hearing concerning the revocation or nonrenewal  
14 shall be held. The commission shall conduct a hearing, present  
15 evidence in support of the grounds for revocation or nonrenewal  
16 stated in its notice and give the charter school entity  
17 reasonable opportunity to offer testimony before taking final  
18 action.

19 (5) Formal action by the commission to revoke or not renew a  
20 charter shall be adopted by resolution at a public meeting under  
21 65 Pa.C.S. Ch. 7 after the public has had at least thirty (30)  
22 days to provide comments to the commission.

23 (6) The commission shall clearly state in the resolution  
24 approved under paragraph (5) the commission's reasons to revoke  
25 or not renew the charter.

26 (7) The charter school entity may appeal the decision of the  
27 commission to revoke or not renew the charter to the appeal  
28 board under section 1729-A(d).

29 (8) Within fifteen (15) days of taking action to revoke or  
30 not to renew a charter, the commission shall provide a copy of

1 the resolution adopted under paragraph (5) to the department.

2 (9) If the health or safety of the school's pupils, staff or  
3 both is at serious risk, the commission may take immediate  
4 action to revoke a charter.

5 (10) If a charter is revoked, not renewed, forfeited,  
6 surrendered or ceases to operate, the charter school entity  
7 shall be dissolved. The following shall apply:

8 (i) After the disposition of liabilities and obligations of  
9 the charter school or regional charter school, real and personal  
10 remaining assets of the charter school or regional charter  
11 school shall be distributed on a proportional basis to the  
12 school entities with students enrolled in the charter school or  
13 regional charter school for the last full or partial school year  
14 of the charter school or regional charter school. A school  
15 entity or the Commonwealth may not be liable for an outstanding  
16 liability or obligation of the charter school or regional  
17 charter school.

18 (ii) After the disposition of liabilities and obligations of  
19 the cyber charter school, any remaining assets of the cyber  
20 charter school shall be transferred to the intermediate unit in  
21 which the cyber charter school's administrative office was  
22 located for distribution to the school districts in which the  
23 students enrolled in the cyber charter school reside at the time  
24 of dissolution.

25 Section 8. Sections 1718-A(b) and (c), 1719-A, 1720-A, 1721-  
26 A, 1722-A, 1723-A, 1724-A and 1725-A of the act are amended to  
27 read:

28 Section 1718-A. Regional Charter School.--\* \* \*

29 (b) The commission or boards of school directors of one or  
30 more school districts may act jointly to receive and consider an

1 application for a regional charter school, except that any  
2 action to approve an application for a charter or to sign a  
3 written charter of an applicant shall require an affirmative  
4 vote of a majority of all the members of the commission or  
5 directors of each of the school districts involved. The  
6 applicant shall apply for a charter to the commission or board  
7 of directors of any school district in which the charter school  
8 will be located.

9 (c) The provisions of this article as they pertain to  
10 charter schools and the powers and duties of the local board of  
11 school directors of a school district and the appeal board shall  
12 apply to regional charter schools, except as provided in  
13 subsections (a) and (b) or as otherwise clearly stated in this  
14 article.

15 Section 1719-A. Contents of Application.--An application to  
16 establish a charter school shall include all of the following  
17 information:

18 (1) The identification of the charter school entity  
19 applicant.

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

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

22 (4) The proposed governance structure of the charter school,  
23 including a description and method for the appointment or  
24 election of members of the board of trustees.

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

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

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

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

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

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

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

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

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

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

1 the requirements of participation in such activity and the  
2 charter school entity does not provide the same extracurricular  
3 activity.

4 (15) [A report] Reports of criminal history [record,  
5 pursuant to section 111] records and employment history reviews,  
6 under sections 111 and 111.1, for all individuals who shall have  
7 direct contact with students[.] and a plan for satisfying the  
8 proper criminal history record clearances and employment history  
9 reviews required for all other staff.

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

20 (17) How the charter school entity will provide adequate  
21 liability and other appropriate insurance for the charter school  
22 entity, its employes and the board of trustees of the charter  
23 school entity.

24 Section 1720-A. Term and Form of Charter.--(a) Upon  
25 approval of a charter application under section 1717-A, a  
26 written charter shall be developed which shall contain the  
27 provisions of the charter application and which shall be signed  
28 by the local board of school directors [of a school district],  
29 by the local boards of school directors [of a school district]  
30 in the case of a regional charter school or by the chairman of



1 the appeal board pursuant to section [1717-A(i)(5)] 1717-A(i)(9)  
2 and the board of trustees of the charter school[.] or regional  
3 charter school. This written charter may not contain any  
4 provision requiring a charter school or regional charter school  
5 to forfeit the due process rights of the charter school or  
6 regional charter school under this article to appeal with the  
7 appeal board. This written charter, when duly signed by the  
8 local board of school directors [of a school district], or by  
9 the local boards of school directors [of a school district] in  
10 the case of a regional charter school or by the chairman of the  
11 appeal board, and the charter school's or regional charter  
12 school's board of trustees, shall act as legal authorization for  
13 the establishment of a charter school or regional charter  
14 school. This written charter shall be legally binding on both  
15 the local board of school directors [of a school district] and  
16 the charter school's or regional charter school's board of  
17 trustees. [Except as otherwise provided in subsection (b), the  
18 charter shall be for a period of no less than three (3) nor more  
19 than five (5) years and may be renewed for five (5) year periods  
20 upon reauthorization by the local board of school directors of a  
21 school district or the appeal board.] If the charter school or  
22 regional charter school contracts with an educational management  
23 service provider, a contract shall be executed when the charter  
24 is approved. A charter will be granted only for a school  
25 organized as a public, nonprofit corporation.

26 (b) (1) Notwithstanding subsection [(a)] (c), a governing  
27 board of a school district of the first class may renew a  
28 charter for a period of one (1) year if the board of school  
29 directors determines that there is insufficient data concerning  
30 the charter school's academic performance to adequately assess

1 that performance and determines that an additional year of  
2 performance data would yield sufficient data to assist the  
3 governing board in its decision whether to renew the charter for  
4 a period of five (5) years.

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

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

11 (c) The following shall apply to each charter granted by a  
12 local board of school directors:

13 (1) An initial charter executed pursuant to subsection (a)  
14 shall be for a period of no less than three (3) years and no  
15 more than five (5) years.

16 (2) For charter schools and regional charter schools, a  
17 charter may be renewed for five (5) year periods upon  
18 reauthorization by the local board of school directors or the  
19 appeal board.

20 (d) (1) A charter school or regional charter school shall  
21 submit a renewal application as provided in section 1719-A(a)  
22 with the local board of school directors by November 1 of the  
23 final year of the charter.

24 (2) The local board of school directors shall vote to renew  
25 or not renew the charter submitted for renewal under paragraph  
26 (1) by March 31 of the ensuing year.

27 (3) A decision by the appeal board under this section to  
28 renew a charter shall serve as a requirement for the local board  
29 of school directors of a school district or school districts, as  
30 appropriate, to sign the renewal of the charter for a charter

1 school or regional charter school as provided for in subsection  
2 (a). If the local board of school directors fails to sign the  
3 renewal within ten (10) days of notice, the charter shall be  
4 signed by the chairman of the appeal board.

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

13 (1) A parent of a school-aged child.

14 (2) A school board member.

15 (3) A certified teacher actively employed in a public  
16 school.

17 (4) A faculty member or administrative employe of an  
18 institution of higher education.

19 (5) A member of the business community.

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

21 The term of office of members of the appeal board, other than  
22 the secretary, shall be for a period of four (4) years or until  
23 a successor is appointed and qualified, except that, of the  
24 initial appointees, the Governor shall designate two (2) members  
25 to serve terms of two (2) years, two (2) members to serve terms  
26 of three (3) years and two (2) members to serve terms of four  
27 (4) years. Any appointment to fill any vacancy shall be for the  
28 period of the unexpired term or until a successor is appointed  
29 and qualified.

30 (b) The appeal board shall meet as needed to fulfill the

1 purposes provided in this subsection. A majority of the members  
2 of the appeal board shall constitute a quorum, and a majority of  
3 the members of the appeal board shall have authority to act upon  
4 any matter properly before the appeal board. The appeal board is  
5 authorized to establish rules for its operation.

6 (c) The members shall receive no payment for their services.  
7 Members who are not employes of State government shall be  
8 reimbursed for expenses incurred in the course of their official  
9 duties from funds appropriated for the general government  
10 operations of the department.

11 (d) The department shall provide assistance and staffing for  
12 the appeal board. The Governor, through the Governor's General  
13 Counsel, shall provide such legal advice and assistance as the  
14 appeal board may require.

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

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

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

30 (d) Notwithstanding any other provision of this act, a

1 school district of the first class may, in its discretion,  
2 permit a charter school to operate its school at more than one  
3 location.

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

25 (2) Any agreement entered into by a charter school[, cyber  
26 charter school] entity or associated nonprofit foundation with  
27 the Commonwealth or a local taxing authority for payments in  
28 lieu of taxes prior to December 31, 2009, shall be null and  
29 void.

30 (3) This subsection shall apply retroactively to all charter

1 [schools, cyber charter schools] school entities and associated  
2 nonprofit foundations that filed an appeal from an assessment,  
3 as provided in Article V of The General County Assessment Law,  
4 prior to the effective date of this subsection.

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

8 (f) School districts, intermediate units, community colleges  
9 and institutions under Article XX-A shall provide a cyber  
10 charter school with reasonable access to their facilities for  
11 the administration of standardized testing as follows:

12 (1) A cyber charter school shall provide an intermediate  
13 unit, school district, community college or institution under  
14 Article XX-A with at least sixty (60) days' notice of the need  
15 for facilities to be used for the administration of standardized  
16 tests.

17 (2) Within thirty (30) days of the cyber charter school's  
18 request, the intermediate unit, school district, community  
19 college or institution under Article XX-A shall notify the cyber  
20 charter school of the location of the facilities that will be  
21 provided, which shall be a quiet, separate location in which  
22 cyber charter school students will not be commingled with  
23 students of the intermediate unit, school district, community  
24 college or institution under Article XX-A.

25 (3) An intermediate unit, school district of residence,  
26 community college or institution under Article XX-A may not be  
27 required to make facilities available to a cyber charter school  
28 on dates and at times that may cause undue interference with the  
29 educational programs of the intermediate unit, school district,  
30 community college or institution under Article XX-A.

1 (4) A facilities rental fee charged to the cyber charter  
2 school and the payment of the fee shall be in compliance with  
3 the facility rental policy of the intermediate unit, school  
4 district, community college or institution under Article XX-A  
5 that applies generally to all organizations and community groups  
6 that are given access to their facilities under a rental  
7 agreement.

8 (g) As used in this section, "charter school entity" shall  
9 mean a charter school, regional charter school or cyber charter  
10 school.

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

12 Requirements.--(a) (1) All resident children in this  
13 Commonwealth who submit a completed enrollment form in  
14 accordance with paragraphs (3) and (4) qualify for admission to  
15 a charter school entity within the provisions of subsection (b).

16 [If] For a charter school or regional charter school, if more  
17 students apply to the charter school or regional charter school  
18 than the number of attendance slots available in the school,  
19 then students must be selected on a random basis from a pool of  
20 [qualified applicants meeting the established eligibility  
21 criteria and submitting an application] eligible applicants who  
22 have submitted an enrollment form in accordance with paragraphs  
23 (3) and (4) by the deadline established by the charter school or  
24 regional charter school, except that the charter school or  
25 regional charter school may give preference in enrollment to a  
26 child of a parent who has actively participated in the  
27 development of the charter school [and] or regional charter  
28 school to siblings of students presently enrolled in the charter  
29 school or regional charter school and to siblings of students  
30 selected for enrollment during the lottery process. First

1 preference shall be given to students who reside in the district  
2 or districts[.] in which the charter school is physically  
3 located or in which the regional charter school is chartered.

4 (2) If a charter school or regional charter school has a  
5 waiting list following its initial selection of eligible  
6 applicants under paragraph (1), the charter school or regional  
7 charter school shall select and enroll eligible applicants from  
8 the waiting list as spaces become available. Each child shall be  
9 assigned to the waiting list on a random basis. When selecting  
10 and enrolling eligible applicants from the waiting list, a  
11 charter school or regional charter school shall give first  
12 preference to students as provided under paragraph (1) and to  
13 students who reside in a district in which the charter school is  
14 physically located or in which the regional charter school is  
15 chartered until the charter school or regional charter school  
16 again reaches its maximum capacity of students. If a charter  
17 school or regional charter school has a waiting list, once the  
18 charter school or regional charter school has exhausted the  
19 waiting list of resident children, the charter school or  
20 regional charter school may enroll children on the waiting list  
21 who reside outside of the district. Nonresident children shall  
22 be selected and enrolled on a random basis.

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

30 (i) The student's name, physical address, telephone number,



1 age, birth date and current grade level.

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

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

10 (5) If a student applies to a charter school entity, a  
11 charter school entity may not require or request information  
12 beyond the contents of the standard enrollment form developed by  
13 the department.

14 (6) Nothing in this subsection shall prohibit a charter  
15 school entity from requesting the submission of additional  
16 records and information that public schools are entitled to  
17 receive after a student is accepted for admission to, and has  
18 indicated an intent to enroll in, the charter school entity.

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

28 (b) (1) A charter school entity shall not discriminate in  
29 its admission policies or practices on the basis of intellectual  
30 ability, [except as provided in paragraph (2), or] athletic

1 ability, measures of achievement or aptitude, status as a person  
2 with a disability, proficiency in the English language or any  
3 other basis that would be illegal if used by a school district.

4 (2) A charter school entity may limit [admission] its  
5 academic focus to a particular grade level, a targeted  
6 population group composed of at-risk students[, or areas of  
7 concentration of the school such as mathematics, science or the  
8 arts. A charter school may establish reasonable criteria to  
9 evaluate prospective students which shall be outlined in the  
10 school's charter.] or a specialized area or accelerated program  
11 of study, such as mathematics, science or the arts. A performing  
12 arts charter school entity may establish reasonable artistic  
13 criteria for admission for grades nine through twelve, which  
14 must be outlined in the school's charter to evaluate prospective  
15 students for enrollment.

16 (c) If available classroom space permits, a charter school  
17 or regional charter school may enroll nonresident students on a  
18 space-available basis, and the student's district of residence  
19 shall permit the student to attend the charter school. The terms  
20 and conditions of the enrollment shall be outlined in the  
21 school's charter.

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

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

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

4 Section 1724-A. School Staff.--(a) The board of trustees  
5 shall determine the level of compensation and all terms and  
6 conditions of employment of the staff except as may otherwise be  
7 provided in this article. At least seventy-five per centum of  
8 the professional staff members of a charter school entity shall  
9 hold appropriate State certification. Employees of a charter  
10 school entity may organize under the act of July 23, 1970  
11 (P.L.563, No.195), known as the "Public Employe Relations Act."  
12 The board of trustees of a charter school entity shall be  
13 considered an employer for the purposes of Article XI-A. Upon  
14 formation of one or more collective bargaining units at the  
15 school, the board of trustees shall bargain with the employes  
16 based on the provisions of this article, Article XI-A and the  
17 "Public Employe Relations Act." Collective bargaining units at a  
18 charter school entity shall be separate from any collective  
19 bargaining unit of the school district in which the charter  
20 school entity is located and shall be separate from any other  
21 collective bargaining unit. A charter school entity shall be  
22 considered a school entity as provided for in section 1161-A for  
23 the purpose of the secretary seeking an injunction requiring the  
24 charter school entity to meet the minimum requirements for  
25 instruction as provided for in this article.

26 (b) Each charter application shall list the general  
27 qualifications needed to staff any noncertified positions.  
28 Professional employes who do not hold appropriate Pennsylvania  
29 certification must present evidence that they:

30 (i) Meet the qualifications in sections 1109 and 1209.

1 (ii) Have demonstrated satisfactorily a combination of  
2 experience, achievement and qualifications as defined in the  
3 charter school entity application in basic skills, general  
4 knowledge, professional knowledge and practice and subject  
5 matter knowledge in the subject area where an individual will  
6 teach.

7 (c) All employes of a charter school entity shall be  
8 enrolled in the Public School Employees' Retirement System in  
9 the same manner as set forth in 24 Pa.C.S. § 8301(a) (relating  
10 to mandatory and optional membership) unless at the time of the  
11 application for the charter school entity the sponsoring  
12 district or the board of trustees of the charter school entity  
13 has a retirement program which covers the employes or the  
14 employe is currently enrolled in another retirement program. The  
15 charter school entity shall be considered a public school as  
16 defined in 24 Pa.C.S. § 8102 (relating to definitions) and shall  
17 make quarterly payments by employers to the Public School  
18 Employees' Retirement System and monthly payments on account of  
19 Social Security as established under 24 Pa.C.S. Pt. IV (relating  
20 to retirement for school employees). Except as otherwise  
21 provided, employes of a charter school entity shall make regular  
22 member contributions as required for active members under 24  
23 Pa.C.S. Pt. IV. If the employes of the charter school entity  
24 participate in another retirement plan, then those employes  
25 shall have no concurrent claim on the benefits provided to  
26 public school employes under 24 Pa.C.S. Pt. IV. Notwithstanding  
27 any other provision of law to the contrary, nothing in this  
28 article shall be construed to require the Commonwealth to make  
29 payments to charter [schools] school entities or contributions  
30 on behalf of charter school entity employes from appropriated

1 funds, as provided in 24 Pa.C.S. §§ 8326 (relating to  
2 contributions by the Commonwealth) and 8535 (relating to  
3 payments to school entities by Commonwealth) on account of  
4 charter school entity employes enrolled in the Public School  
5 Employees' Retirement System and 24 Pa.C.S. § 8329(a) (relating  
6 to payments on account of social security deductions from  
7 appropriations) on account of Social Security payments made by a  
8 charter school entity.

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

21 (e) Any public school employe of a school entity may request  
22 a leave of absence for up to five (5) years in order to work in  
23 a charter school located in the district of employment or in a  
24 regional charter school in which the employing school district  
25 is a participant. Approval for a leave shall not be unreasonably  
26 withheld.

27 (f) Temporary professional employes on leave from a school  
28 district may accrue tenure in the non-charter public school  
29 system at the discretion of the local board of school directors,  
30 the same as they would under Article XI if they had continued to

1 be employed by that district. Professional employes on leave  
2 from a school district shall retain their tenure rights, as  
3 defined in Article XI, in the school entity from which they  
4 came. No temporary professional employe or professional employe  
5 shall have tenure rights as against a charter school. Both  
6 temporary professional employes and professional employes shall  
7 continue to accrue seniority in the school entity from which  
8 they came if they return to that school entity when the leave  
9 ends.

10 (g) Professional employes who hold a first level teaching or  
11 administrative certificate may, at their option, have the time  
12 completed in satisfactory service in a charter school applied to  
13 the length of service requirements for the next level of  
14 certification.

15 (h) (1) Any temporary professional employe or professional  
16 employe who leaves employment at a charter school shall have the  
17 right to return to a comparable position for which the person is  
18 properly certified in the school entity which granted the leave  
19 of absence. In the case where a teacher has been dismissed by  
20 the charter school, the school entity which granted the leave of  
21 absence is to be provided by the charter school with the reasons  
22 for such dismissal at the time it occurs, a list of any  
23 witnesses who were relied on by the charter school in moving for  
24 dismissal, a description of and access to any physical evidence  
25 used by the charter school in moving for dismissal and a copy of  
26 any record developed at any dismissal proceeding conducted by  
27 the charter school. The record of any such hearing may be  
28 admissible in a hearing before the school entity which granted  
29 the leave of absence. Nothing in this section shall affect the  
30 authority of the board of school directors to initiate

1 proceedings under Article XI if the board determines that  
2 occurrences at the charter school leading to dismissal of a  
3 teacher constitute adequate and independent grounds for  
4 discipline under section 1122.

5 (2) No temporary employe or professional employe who is  
6 leaving employment at a charter school shall be returned to a  
7 position in the public school district which granted his leave  
8 of absence until such public school district is in receipt of a  
9 current criminal history record under [section 111] sections 111  
10 and 111.1 and the official clearance statement regarding child  
11 injury or abuse from the Department of Public Welfare as  
12 required by 23 Pa.C.S. Ch. 63 Subch. [C.2 (relating to  
13 background checks for employment in schools)] C (relating to  
14 powers and duties of department).

15 (i) All individuals who shall have direct contact with  
16 students shall be required to submit a report of criminal  
17 history record information as provided for in [section 111]  
18 sections 111 and 111.1 prior to accepting a position with the  
19 charter school. This subsection shall also apply to any  
20 individual who volunteers to work on a full-time or part-time  
21 basis at the charter school entity.

22 (j) All applicants for a position as a school employe shall  
23 be required to submit the official clearance statement regarding  
24 child injury or abuse from the Department of Public Welfare as  
25 required by 23 Pa.C.S. Ch. 63 Subch. [C.2] C. This section shall  
26 also apply to any individual who volunteers to work on a full-  
27 time or part-time basis at a charter school.

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

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

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

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

25 (4) A charter school entity may request the intermediate  
26 unit in which the charter school entity is located to provide  
27 services to assist the charter school entity to address the  
28 specific needs of exceptional students. The intermediate unit  
29 shall assist the charter school entity and bill the charter  
30 school for the services. The intermediate unit may not charge



1 the charter school entity more for any service than it charges  
2 the constituent districts of the intermediate unit.

3 (5) Payments shall be made to the charter school entity in  
4 twelve (12) equal monthly payments, by the fifth day of each  
5 month, within the operating school year. A student enrolled in a  
6 charter school entity shall be included in the average daily  
7 membership of the student's district of residence for the  
8 purpose of providing basic education funding payments and  
9 special education funding pursuant to Article XXV. If a school  
10 district fails to make a payment to a charter school as  
11 prescribed in this clause, the secretary shall deduct the  
12 estimated amount, as documented by the charter school entity,  
13 from any and all State payments made to the district after  
14 receipt of documentation from the charter school. No later than  
15 October 1 of each year, a charter school entity shall submit to  
16 the school district of residence of each student final  
17 documentation of payment to be made based on the average daily  
18 membership for the students enrolled in the charter school  
19 entity from the school district for the previous school year. If  
20 a school district fails to make payment to the charter school  
21 entity, the secretary shall deduct and pay the amount as  
22 documented by the charter school entity from any and all State  
23 payments made to the district after receipt of documentation  
24 from the charter school entity from the appropriations for the  
25 fiscal year in which the final documentation of payment was  
26 submitted to the school district of residence.

27 (6) Within thirty (30) days after the secretary makes the  
28 deduction described in clause (5), a school district may notify  
29 the secretary that the deduction made from State payments to the  
30 district under this subsection is inaccurate. The secretary

1 shall provide the school district with an opportunity to be  
2 heard concerning whether the charter school entity documented  
3 that its students were enrolled in the charter school entity,  
4 the period of time during which each student was enrolled, the  
5 school district of residence of each student and whether the  
6 amounts deducted from the school district were accurate.

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

1 preclude a school district from applying for a grant under  
2 subsection (c).

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

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

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

30 Section 9. The act is amended by adding a section to read:

1 Section 1725.1-A. Fee Prohibition.--Notwithstanding the  
2 authority granted under section 1 of the act of April 2, 1925  
3 (P.L.122, No.87), entitled "An act to authorize the  
4 Superintendent of Public Instruction to fix and to collect  
5 reasonable fees for certain services rendered by that  
6 Department," the secretary may not charge a fee for any service  
7 or act performed by the department under this article unless  
8 otherwise expressly permitted in this article.

9 Section 10. Sections 1727-A, 1729-A, 1729.1-A(c), (d) and  
10 (f) and 1731-A of the act are amended to read:

11 Section 1727-A. Tort Liability.--For purposes of tort  
12 liability, employes of the charter school entity shall be  
13 considered public employes and the board of trustees shall be  
14 considered the public employer in the same manner as political  
15 subdivisions and local agencies. The board of trustees of a  
16 charter school entity and the charter school entity shall be  
17 solely liable for any and all damages of any kind resulting from  
18 any legal challenge involving the operation of a charter school  
19 entity. Notwithstanding this requirement, the local board of  
20 directors of a school entity, the commission or the department  
21 shall not be held liable for any activity or operation related  
22 to the program of the charter school entity.

23 Section 1729-A. Causes for Nonrenewal or Termination.--(a)  
24 During the term of the charter or at the end of the term of the  
25 charter signed and approved under section 1720-A, the local  
26 board of school directors or, for a cyber charter school, the  
27 department may choose to revoke or not to renew the charter  
28 based on any of the following:

29 (1) One or more material violations of any of the  
30 conditions, standards or procedures contained in the written

1 charter signed pursuant to section 1720-A.

2 (2) Failure to meet the requirements for student performance  
3 set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or  
4 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5  
5 or failure to meet any performance standard set forth in the  
6 written charter signed pursuant to section 1716-A.

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

9 (4) Violation of provisions of this article.

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

13 (6) The charter school entity has been convicted of fraud.

14 (a.1) When a charter school located in a school district of  
15 the first class is in corrective action status and seeks renewal  
16 of its charter, if the governing body of the school district of  
17 the first class renews the charter, it may place specific  
18 conditions in the charter that require the charter school to  
19 meet specific student performance targets within stated periods  
20 of time subject to the following:

21 (i) The performance targets and the periods of time in which  
22 the performance targets must be met shall be reasonable.

23 (ii) The placement of conditions in a charter as specified  
24 in this subsection shall not be considered an adjudication and  
25 may not be appealed to the State Charter School Appeal Board.

26 (iii) If the charter school entity fails to meet the  
27 performance targets within the stated period of time, such  
28 failure shall be sufficient cause for revocation of the charter.

29 (b) A member of the board of trustees who is convicted of a  
30 felony or any crime involving moral turpitude shall be

1 immediately disqualified from serving on the board of trustees.

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

25 (d) Following the appointment and confirmation of the appeal  
26 board, but not before July 1, 1999, the charter school entity  
27 may appeal the decision of the local board of school directors, or  
28 the commission or the department to revoke or not renew the  
29 charter to the appeal board. The appeal board shall have the  
30 exclusive review of a decision not to renew or revoke a charter.

1 The appeal board shall review the record within thirty (30) days  
2 of receipt and shall have the discretion to supplement the  
3 record if the supplemental information was previously  
4 unavailable. The appeal board may consider the charter school  
5 entity plan, annual reports, student performance and employe and  
6 community support for the charter school in addition to the  
7 record. The appeal board shall give due consideration to the  
8 findings of the local board of directors, the commission or the  
9 department and specifically articulate its reasons for agreeing  
10 or disagreeing with those findings in its written decision[.]  
11 within sixty (60) days following the review. Failure by the  
12 appeal board to meet the time periods specified under this  
13 subsection shall deem the charter application renewed or not  
14 revoked.

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

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

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

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

26 (i) When a charter is revoked, not renewed, forfeited,  
27 surrendered or otherwise ceases to operate, the charter school  
28 shall be dissolved. After the disposition of any liabilities and  
29 obligations of the charter school, any remaining assets of the  
30 charter school, both real and personal, shall be distributed on

1 a proportional basis to the school entities with students  
2 enrolled in the charter school for the last full or partial  
3 school year of the charter school. In no event shall such school  
4 entities or the Commonwealth be liable for any outstanding  
5 liabilities or obligations of the charter school.

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

13 Section 1729.1-A. Multiple Charter School Organizations.--\*

14 \* \* \*

15 (c) Within ninety (90) days of the effective date of this  
16 section, the department shall develop and issue a standard  
17 application form that multiple charter school organization  
18 applicants must submit to the department and to the commission  
19 or the local board of school directors of each school district  
20 that granted the initial charter of any charter school included  
21 in the proposed consolidation. The application form shall  
22 contain the following information:

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

24 (2) The names of the charter schools seeking consolidation  
25 under this section.

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

28 (4) An organizational chart clearly presenting the proposed  
29 governance structure of the multiple charter school  
30 organization, including lines of authority and reporting between



1 the board of trustees, chief administrator, administrators,  
2 staff and any educational management service provider that will  
3 play a role in providing management services to the charter  
4 schools under its jurisdiction.

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

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

11 (7) Standards for board of trustees performance, including  
12 compliance with all applicable laws, regulations and terms of  
13 the charter.

14 (8) Enrollment procedures for each individual charter school  
15 included in its charter.

16 (9) Any other information as deemed necessary by the  
17 department.

18 (d) A multiple charter school organization may:

19 (1) Participate in the assessment system in the same manner  
20 in which a school district participates, with its individual  
21 charter schools participating in the assessment system in the  
22 same manner as individual schools within school districts. All  
23 data gathered for purposes of evaluation shall be gathered in  
24 the same manner in which data is gathered in the case of school  
25 districts and individual schools within school districts.

26 Nothing in this paragraph shall alter the manner in which  
27 charter school performance on assessments is measured as  
28 required under the Every Student Succeeds Act (Public Law 114-  
29 95, 129 Stat. 1802), or its successor Federal statute.

30 (2) Add existing charter schools to its organization by

1 obtaining the approval of the department and [of] the commission  
2 or the local board of school directors that granted the initial  
3 charter of each charter school proposed to be added under  
4 subsection (a) (1).

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

10 \* \* \*

11 (f) Appeals shall be as follows:

12 (1) The appeal board shall have the exclusive review of an  
13 appeal by an applicant for consolidation, with respect to the  
14 rejection of a proposed consolidation by either the department  
15 or a school district.

16 (2) In considering an appeal under this section, the appeal  
17 board shall:

18 (i) Review the decision made by [either] the department, the  
19 commission or [the] school district on the record as certified  
20 by the entity that made the decision being appealed, provided  
21 that the appeal board may allow the department, the commission,  
22 a school district or the applicant for consolidation to  
23 supplement the record if the supplemental information was  
24 previously unavailable.

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

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

30 (iv) Make its decision based on whether the proposed

1 consolidation satisfies the requirements of subsections (b) and  
2 (c).

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

7 (4) All decisions of the appeal board shall be subject to  
8 appellate review by the Commonwealth Court. In the event of an  
9 appeal of a decision by the appeal board to the Commonwealth  
10 Court, the decision of the appeal board shall be stayed only  
11 upon order of the appeal board, the Commonwealth Court or the  
12 Pennsylvania Supreme Court.

13 \* \* \*

14 Section 1731-A. Charter School Grants.--(a) The secretary  
15 shall allocate grants for planning and start-up funding to  
16 eligible applicants under section 1717-A from funds appropriated  
17 for the implementation of this act.

18 (1) Planning grant applications shall be filed on a form and  
19 by a date determined by the secretary. The amount of a grant may  
20 vary depending on the size and scope of the planning needed by  
21 the applicant. The application shall address the manner in which  
22 the applicant plans to address the criteria established for  
23 charter schools in sections 1715-A and 1717-A.

24 (2) Start-up funding grant applications shall be filed on a  
25 form and by a date determined by the secretary. The applicant  
26 for the charter school shall submit its application for a  
27 charter when applying for the grant. A grant for start-up  
28 funding may vary depending on the size and special  
29 characteristics of the charter school. A start-up grant may be  
30 used to meet the expenses of the charter school as established

1 in their charter and as authorized in the provisions of this  
2 article.

3 (b) The applicant shall include a copy of a letter informing  
4 the local board of school directors of the school district of  
5 the application for the planning grant if the location of the  
6 proposed charter school is known. An applicant receiving a  
7 start-up funding grant shall notify the school district or  
8 districts signing the charter of receipt of this grant.

9 Section 11. Sections 1732-A, 1741-A, 1743-A, 1744-A, 1745-A  
10 and 1746-A of the act are amended to read:

11 Section 1732-A. Provisions Applicable to Charter Schools.--

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

13 Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,  
14 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 742, 752, 753,  
15 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1301,  
16 1310, 1317, 1317.1, 1317.2, 1318, 1326, 1327, 1327.2, 1329,  
17 1330, 1332, 1333, 1333.1, 1333.2, 1333.3, 1303-A, 1333.4, 1341,  
18 1342, 1343, 1344, 1345, 1513, 1517, 1518, 1521, 1523, 1531,  
19 1547, 2014-A, Article XIII-A and Article XIV.

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

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

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

1 appropriation, and providing for the administration of this  
2 act."

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

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

9 (b) Charter schools shall be subject to the following  
10 provisions of 22 Pa. Code:

11 Section 5.216 (relating to ESOL).

12 Section 5.4 (relating to general policies).

13 Chapter 11 (relating to pupil attendance).

14 Chapter 12 (relating to students).

15 Section 32.3 (relating to assurances).

16 Section 121.3 (relating to discrimination prohibited).

17 Section 235.4 (relating to practices).

18 Section 235.8 (relating to civil rights).

19 Chapter 711 (relating to charter school services and programs  
20 for children with disabilities).

21 (c) (1) The secretary may promulgate additional regulations  
22 relating to charter schools.

23 (2) The secretary shall have the authority and the  
24 responsibility to ensure that charter schools comply with  
25 Federal laws and regulations governing children with  
26 disabilities. The secretary shall promulgate regulations to  
27 implement this provision.

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

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

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

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

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

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

15 (i) Notwithstanding the provisions of section  
16 1717.2-A or 1729-A(i), when the department has revoked or  
17 denied renewal of a charter, the cyber charter school  
18 shall be dissolved. After the disposition of the  
19 liabilities and obligations of the cyber charter school,  
20 any remaining assets of the cyber charter school shall be  
21 given over to the intermediate unit in which the cyber  
22 charter school's administrative office was located for  
23 distribution to the school districts in which the  
24 students enrolled in the cyber charter school reside at  
25 the time of dissolution.

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

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

1 being provided; or

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

5 (4) Execute charters after approval.

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

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

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

15 Section 1743-A. Cyber charter school requirements and  
16 prohibitions.

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

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

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

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

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

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

4 (1) A copy of the charter.

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

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

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

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

14 (1) A list and brief description of the courses of  
15 instruction the student will receive. The list shall be  
16 updated annually for each grade level in which the student is  
17 enrolled.

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

20 (3) The manner in which attendance will be reported and  
21 work will be authenticated.

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

25 (5) The meetings to be held during the school year  
26 between a parent or guardian and a teacher and among other  
27 school officials or parents or guardians and the manner in  
28 which the parent or guardian will be notified of the time and  
29 place for the meeting.

30 (6) The address of the cyber charter school and the



1 name, telephone number and e-mail address of the school  
2 administrator and other school personnel.

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

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

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

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

13 (11) Information on:

14 (i) The cyber charter school's professional staff,  
15 including the number of staff personnel, their education  
16 level and experience.

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

19 (12) Information regarding the proper usage of equipment  
20 and materials and the process for returning equipment and  
21 materials supplied to the students by the cyber charter  
22 school. A parent or guardian shall acknowledge, either in  
23 writing or electronically, the receipt of this information.

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

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

29 (1) provide all instructional materials[;], which may  
30 include electronic or digital books in place of textbooks;

1           (2) provide all equipment, including, but not limited  
2 to, a computer, computer monitor and printer, except that a  
3 parent or guardian of more than one child who is enrolled in  
4 the same cyber charter school may elect not to receive a  
5 separate printer for each enrolled child; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (1) Nothing in this article shall be construed to  
20 preclude a school district or an intermediate unit from  
21 offering instruction via the Internet or other electronic  
22 means, except that the instruction may not be recognized as a  
23 cyber charter school under this article unless the school  
24 district or intermediate unit establishes a cyber charter  
25 school under subsection (a) and paragraph (2).

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

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

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

5 (d.1) Notwithstanding subsection (d), an individual under  
6 subsection (a) may submit an application for the establishment  
7 of a cyber charter school to the commission for consideration  
8 under section 1717.2-A.

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

21 (f) Evaluation criteria.--

22 (1) A cyber charter school application under section  
23 1719-A submitted under this subdivision shall be evaluated by  
24 the department based on the following criteria:

25 (i) The demonstrated, sustainable support for the  
26 cyber charter school plan by teachers, parents or  
27 guardians and students.

28 (ii) The capability of the cyber charter school  
29 applicant, in terms of support and planning, to provide  
30 comprehensive learning experiences to students under the

1 charter.

2 (iii) The extent to which the programs outlined in  
3 the application will enable students to meet the academic  
4 standards under 22 Pa. Code Ch. 4 (relating to academic  
5 standards and assessment) or subsequent regulations  
6 promulgated to replace 22 Pa. Code Ch. 4.

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

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

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

17 (3) Upon approval of a cyber charter school application,  
18 a written charter shall be developed which shall contain the  
19 provisions of the charter application and be signed by the  
20 secretary and each member of the board of trustees of the  
21 cyber charter school. This written charter may not contain  
22 any provision requiring a cyber charter school to forfeit the  
23 cyber charter school's due process rights under this article  
24 to appeal with the appeal board. The charter, when duly  
25 signed, shall act as legal authorization of the establishment  
26 of a cyber charter school. The charter shall be legally  
27 binding on the department, the cyber charter school and its  
28 board of trustees. The charter [shall be for a period of no  
29 less than three years nor more than five years and may be  
30 renewed for a period of five years by the department.] term

1 shall be as follows:

2 (i) An initial charter granted under this section  
3 shall be for a period of no less than three (3) years and  
4 no more than five (5) years.

5 (ii) For cyber charter schools, a charter may be  
6 renewed for five-year (5) periods upon reauthorization by  
7 the department.

8 (4) (i) A cyber charter school shall submit a renewal  
9 application with the department by October 1 of the final  
10 year of the charter.

11 (ii) Within 120 days of its receipt of the renewal  
12 application, the department shall renew or not renew the  
13 charter.

14 [(4)] (5) The decision of the department to deny an  
15 application may be appealed to the appeal board.

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

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

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

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

- 1 (1) The denial of an application for a charter.
- 2 (2) The denial of a renewal of a charter.
- 3 (3) The revocation of a charter.
- 4 (4) An appeal under section 1717.2-A or 1745-A(h).

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

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

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

18 (3) Issue a written decision affirming or denying the  
19 appeal no later than 60 days following its review. Failure by  
20 the appeal board to satisfy the time periods specified under  
21 paragraph (2) and this paragraph shall deem the charter  
22 application approved, renewed or not revoked.

23 (4) In the case of a decision by the department to deny  
24 a cyber charter application, make its decision based on  
25 section 1745-A(f) (1) [■] or in the case of a decision made by  
26 the commission to deny a cyber charter application, make its  
27 decision based on section 1717.2-A. A decision by the appeal  
28 board to reverse the decision of the commission or department  
29 and grant a charter shall serve as a requirement for the  
30 commission or secretary to sign the written charter of the



1 cyber charter school. If the commission or the secretary  
2 fails to sign the charter within ten (10) days of notice, the  
3 charter shall be signed by the chairman of the appeal board.

4 (5) In the case of a decision by the department to  
5 revoke or deny renewal of a cyber school charter in  
6 accordance with section 1741-A(a)(3), make its decision based  
7 on section 1729-A(a) [.] or in the case of a decision made by  
8 the commission to revoke or deny renewal of a cyber charter  
9 application, make its decision based on section 1717.2-A. A  
10 decision of the appeal board to reverse the decision of the  
11 commission or department to not revoke or deny renewal of a  
12 charter shall serve as a requirement of the commission or  
13 department to not revoke or to not deny renewal of the  
14 charter of the cyber charter school.

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

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

21 Section 12. Section 1749-A of the act, amended October 29,  
22 2020 (P.L.722, No.84), is amended to read:

23 Section 1749-A. Applicability of other provisions of this act  
24 and of other acts and regulations.

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

27 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,  
28 436, 443, 510, 518, 527, 708, 752, 753, [755,] 771, 776, 777,  
29 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,  
30 1302, 1310, 1317.2, 1318, 1326, 1327, 1327.2, 1329, 1330,

1 1332, 1333, 1333.1, 1333.2, 1333.3, [1303-A,] 1333.4, 1518,  
2 1521, 1523, 1531, 1547, 1702-A, 1703-A, [1714-A, 1715-A,  
3 1716-A, 1716.1-A, 1719-A, 1721-A,] 1722-A, [1723-A(a) and  
4 (b), 1724-A,] 1725-A, [1727-A,] 1729-A[, 1730-A, 1731-A(a) (1)  
5 and (b)] and 2014-A and Articles XII-A, XIII-A and XIV.

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

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

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

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

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

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

28 (1) Chapter 4 (relating to academic standards and  
29 assessment).

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

- 1 (3) Chapter 12 (relating to students).  
2 (4) Section 32.3 (relating to assurances).  
3 (5) Section 121.3 (relating to discrimination  
4 prohibited).  
5 (6) Section 235.4 (relating to practices).  
6 (7) Section 235.8 (relating to civil rights).  
7 (8) Chapter 711 (relating to charter school services and  
8 programs for children with disabilities).

9 (c) Existing charter schools.--

10 (1) The charter of a charter school approved under  
11 section 1717-A or 1718-A which provides instruction through  
12 the Internet or other electronic means shall remain in effect  
13 for the duration of the charter and shall be subject to the  
14 provisions of Subdivision (b).

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

- 20 (i) Section 1743-A(c), (d), (e), (h) and (i).  
21 (ii) Section 1744-A.  
22 (iii) Section 1748-A.

23 Section 13. The definitions of "economically disadvantaged  
24 school" and "school-related fees" in section 2002-B of the act  
25 are amended and the section is amended by adding definitions to  
26 read:

27 Section 2002-B. Definitions.

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

1 \* \* \*

2 "Economically disadvantaged school." Any school within this  
3 Commonwealth at which at least [75%] 65% of the students  
4 attending the school in the immediately preceding school year  
5 received a scholarship of at least \$1,000 pursuant to this  
6 article.

7 \* \* \*

8 "Fiscal year." The Commonwealth's fiscal year beginning July  
9 1 and ending June 30.

10 \* \* \*

11 "School-related fees." Fees charged by a school to all  
12 students for books, instructional materials, technology  
13 equipment and services, uniforms [and], activities and  
14 concurrent enrollment programs under Article XVI-B.

15 \* \* \*

16 "Taxable year." A taxpayer's annual accounting period or, if  
17 a return is made for a period of less than 12 months, the period  
18 for which the return is made.

19 Section 14. Sections 2003-B(d.3) and 2004-B(a)(2) of the act  
20 are amended to read:

21 Section 2003-B. Qualification and application by organizations.

22 \* \* \*

23 (d.3) [Opportunity scholarship] Scholarship organization for  
24 economically disadvantaged schools.--

25 (1) [In] Effective July 1, 2021, in addition to the  
26 other requirements of this article, [an opportunity] a  
27 scholarship organization that intends to provide  
28 [opportunity] scholarship awards to applicants of  
29 economically disadvantaged schools must demonstrate a history  
30 of serving schools throughout this Commonwealth and the

1 capacity to distribute [opportunity] scholarships Statewide  
2 to applicants of economically disadvantaged schools.

3 (2) [An opportunity] A scholarship organization must  
4 agree to distribute [opportunity] scholarships to applicants  
5 of economically disadvantaged schools not later than  
6 [December] February 1 of the applicable school year.

7 (3) Notwithstanding any other provision of this article  
8 to the contrary, the department may not for any school year  
9 qualify more than one [opportunity] scholarship organization  
10 for the provision of [opportunity] scholarships to applicants  
11 of economically disadvantaged schools.

12 \* \* \*

13 Section 2004-B. Application by business firms.

14 (a) Scholarship organization, pre-kindergarten scholarship  
15 organization or opportunity scholarship organization.--

16 \* \* \*

17 (2) A business firm that intends to apply to the  
18 department for a tax credit for contributions [to the  
19 opportunity scholarship organization that qualifies under  
20 section 2003-B(d.3)] for students attending an economically  
21 disadvantaged school must submit an application separate from  
22 an application for tax credits to a scholarship organization,  
23 pre-kindergarten scholarship organization or [other]  
24 opportunity scholarship organization. The contribution shall  
25 be made to the designated scholarship organization for the  
26 economically disadvantaged schools and shall be separately  
27 accounted for and distributed by the designated scholarship  
28 organization.

29 \* \* \*

30 Section 15. Section 2005-B(b), (c) (2), (d), (i) (5) and (j)

1 (1) and (2) of the act are amended and subsection (i) is amended  
2 by adding a paragraph to read:

3 Section 2005-B. Tax credits.

4 \* \* \*

5 (b) Additional amount.--In accordance with section 2006-B,  
6 the Department of Revenue shall grant a tax credit of up to 90%  
7 of the total amount contributed during the taxable year if the  
8 business firm provides a written commitment to provide the  
9 scholarship organization, educational improvement organization  
10 or opportunity scholarship organization with the same amount of  
11 contribution for two consecutive [tax] taxable years. The  
12 business firm must provide the written commitment under this  
13 subsection to the department at the time of application.

14 (c) Pre-kindergarten scholarship organizations.--In  
15 accordance with section 2006-B, the Department of Revenue shall  
16 grant a tax credit against any applicable tax to a business firm  
17 providing proof of a contribution to a pre-kindergarten  
18 scholarship organization in the taxable year in which the  
19 contribution is made in accordance with the following:

20 \* \* \*

21 (2) [The] For each fiscal year, the tax credit shall not  
22 exceed \$200,000 annually per business firm for contributions  
23 made to pre-kindergarten scholarship organizations, except as  
24 provided in subsection (i).

25 (d) Combination of tax credits.--In accordance with section  
26 2006-B, a business firm may receive tax credits from the  
27 Department of Revenue in any [tax] fiscal year for any  
28 combination of contributions under subsection (a), (a.1), (b) or  
29 (c). Except as provided in subsection (i), in no case may a  
30 business firm receive tax credits in any [tax] fiscal year in

1 excess of the following:

2 (1) \$750,000 for combined contributions to scholarship  
3 and educational improvement organizations under subsections  
4 (a) and (b).

5 (2) \$750,000 for contributions to opportunity  
6 scholarship organizations under subsections (a.1) and (b).

7 (3) \$200,000 for contributions to pre-kindergarten  
8 scholarship organizations under subsection (c).

9 \* \* \*

10 (i) Temporary increase in maximum tax credits available.--

11 \* \* \*

12 (4.1) If all tax credits authorized under this article  
13 for contributions to the category of scholarship  
14 organizations, opportunity scholarship organizations or pre-  
15 kindergarten scholarship organizations have not been awarded  
16 as of November 30 of any fiscal year, then for applications  
17 accepted by the department from December 1 through the end of  
18 the fiscal year, the limitations set forth in subsections  
19 (a), (a.1), (c) and (d) relating to the maximum amount of tax  
20 credits a business firm can receive during a fiscal year for  
21 contributions to each such category of organizations shall  
22 not apply. Under this paragraph, the department may accept  
23 applications under section 2004-B from December 1 through the  
24 end of the fiscal year and shall award tax credits under this  
25 article for contributions to the category of scholarship  
26 organizations, opportunity scholarship organizations or pre-  
27 kindergarten scholarship organizations on a first-come,  
28 first-served basis until all tax credits available for the  
29 fiscal year have been exhausted.

30 (5) Notwithstanding a temporary increase in maximum tax

1 credits available under this subsection, the limitations set  
2 forth in subsections (a), (a.1), (c) and (d) relating to the  
3 maximum amount of tax credits a business firm can receive  
4 during a year for contributions to a category of scholarship  
5 organizations, opportunity scholarship organizations or pre-  
6 kindergarten scholarship organizations shall be reinstated  
7 for all applications accepted by the department [on or] after  
8 [December 1] June 30 of the fiscal year.

9 (j) Reallocation of tax credits.--

10 (1) Beginning on January 1 of any fiscal year, if any  
11 tax credits authorized under this article for contributions  
12 to any of the categories of scholarship organizations,  
13 opportunity scholarship organizations or pre-kindergarten  
14 scholarship organizations remain unawarded, such unawarded  
15 tax credits may be reallocated to any of the categories of  
16 scholarship organizations, opportunity scholarship  
17 organizations or pre-kindergarten scholarship organizations  
18 for which all available tax credits have been awarded. The  
19 department shall, within 10 business days, inform each  
20 business firm on the waiting list maintained by the  
21 department under subsection (h) that tax credits remain  
22 available under another category for which the business firm  
23 has not yet applied. If a business firm notified under this  
24 paragraph elects, the department shall reallocate available  
25 tax credits for award to the business firm in the business  
26 firm's preferred tax credit category, notwithstanding the  
27 limitations contained in section 2006-B(a). [The amount of  
28 tax credits to be awarded to a business firm under this  
29 paragraph shall not exceed the amount of tax credits  
30 available for reallocation or the maximum amount of tax



1 credits for which a business firm is eligible under  
2 subsections (a), (a.1), (c) and (d).] Each business firm  
3 shall have 10 business days from the date of the department's  
4 notice to elect a reallocation of tax credits under this  
5 paragraph. The department shall award tax credits on a first-  
6 come, first-served basis.

7 (2) After the department has awarded tax credits under  
8 paragraph (1), the department shall accept new applications  
9 for reallocation of tax credits from any of the categories of  
10 scholarship organizations, opportunity scholarship  
11 organizations or pre-kindergarten scholarship organizations  
12 for which tax credits remain available to the applicant's  
13 preferred category of scholarship organizations, opportunity  
14 scholarship organizations or pre-kindergarten scholarship  
15 organizations for which all available tax credits have been  
16 awarded, notwithstanding any limitations contained in section  
17 2006-B(a) [. The amount of tax credits to be awarded to a  
18 business firm under this paragraph shall not exceed the  
19 amount of tax credits available for reallocation or the  
20 maximum amount of tax credits for which a business firm is  
21 eligible under] or the limitations in subsections (a), (a.1),  
22 (c) and (d). The department shall award tax credits on a  
23 first-come, first-served basis.

24 \* \* \*

25 Section 16. Section 2006-B(a) of the act is amended and the  
26 section is amended by adding a subsection to read:

27 Section 2006-B. Limitations.

28 (a) Amount.--

29 (1) The total aggregate amount of all tax credits  
30 approved for contributions from business firms to scholarship

1 organizations, educational improvement organizations and pre-  
2 kindergarten scholarship organizations shall not exceed  
3 \$185,000,000 in a fiscal year, or \$300,000,000 beginning in  
4 fiscal year 2021-2022.

5 (i) No less than [~~\$135,000,000~~] \$185,000,000 or  
6 61.66% of the total aggregate amount shall be used to  
7 provide tax credits for contributions from business firms  
8 to scholarship organizations.

9 (ii) No less than [~~\$37,500,000~~] \$50,000,000 or  
10 16.67% of the total aggregate amount shall be used to  
11 provide tax credits for contributions from business firms  
12 to educational improvement organizations.

13 (iii) The total aggregate amount of all tax credits  
14 approved for contributions from business firms to pre-  
15 kindergarten scholarship organizations shall not exceed  
16 [~~\$12,500,000~~] \$15,000,000 or 5% in a fiscal year.

17 (iv) No more than \$50,000,000 or 16.67% of the total  
18 aggregate amount shall be used to provide tax credits for  
19 contributions from business firms to increase the  
20 scholarship or pre-kindergarten scholarship by \$2,000 or,  
21 in the case of a scholarship for a student attending a  
22 secondary school, by \$4,000, for a student attending an  
23 economically disadvantaged school, to the extent that the  
24 total amount of scholarships, pre-kindergarten  
25 scholarships and opportunity scholarships will not exceed  
26 the lesser of \$7,500 of the school's tuition.

27 (2) The total aggregate amount of all tax credits  
28 approved for contributions from business firms to opportunity  
29 scholarship organizations shall not exceed [~~\$55,000,000~~]  
30 \$100,000,000. [in a fiscal year and no less than \$5,000,000

1 of the total aggregate amount shall be used to provide tax  
2 credits for contributions from business firms to increase the  
3 scholarship amount to students attending an economically  
4 disadvantaged school by up to \$1,000 more than the amount  
5 provided during the immediately preceding school year.]

6 (a.1) Increases.--

7 (1) Beginning in fiscal year 2022-2023, in any fiscal  
8 year in which the total aggregate amount of tax credits  
9 approved under subsection (a)(1) for the prior fiscal year is  
10 equal to or greater than 90% of the total aggregate amount of  
11 tax credits available under subsection (a)(1) for the prior  
12 fiscal year, the total aggregate amount of tax credits  
13 available under subsection (a)(1) shall increase by 25%. The  
14 department shall publish on its publicly accessible Internet  
15 website the total aggregate amount of tax credits available  
16 if the amount is increased under this paragraph.

17 (2) Beginning in fiscal year 2022-2023, in any fiscal  
18 year in which the total aggregate amount of tax credits  
19 approved under subsection (a)(2) for the prior fiscal year is  
20 equal to or greater than 90% of the total aggregate amount of  
21 tax credits available under subsection (a)(2) for the prior  
22 fiscal year, the total aggregate amount of tax credits  
23 available under subsection (a)(2) shall increase by 25%. The  
24 department shall publish on its publicly accessible Internet  
25 website the total aggregate amount of tax credits available  
26 if the amount is increased under this paragraph.

27 \* \* \*

28 Section 17. Section 2009-B(e) and (f)(1) and (5) of the act  
29 are amended to read:

30 Section 2009-B. Opportunity scholarships.

1 \* \* \*

2 (e) Amount.--

3 (1) [(i) Except as otherwise provided in subparagraph  
4 (ii), the] The maximum amount of an opportunity scholarship  
5 awarded to an applicant without a disability shall be  
6 ~~[\$8,500]~~ \$7,500.

7 [(ii) For a student attending an economically  
8 disadvantaged school, the maximum amount of an  
9 opportunity scholarship awarded to an applicant without a  
10 disability shall be \$9,500.]

11 (2) [(i) Except as otherwise provided in subparagraph  
12 (ii), the] The maximum amount of an opportunity scholarship  
13 awarded to an applicant with a disability shall be \$15,000.

14 [(ii) For a student attending an economically  
15 disadvantaged school, the maximum amount of an  
16 opportunity scholarship awarded to an applicant with a  
17 disability shall be \$16,000.]

18 (3) In no case shall the combined amount of the  
19 opportunity scholarship awarded to a recipient and any  
20 additional financial assistance provided to the recipient  
21 exceed the tuition rate and school-related fees for the  
22 participating public school or participating nonpublic school  
23 that the recipient will attend.

24 (f) Designation, reports and notices.--For purposes of  
25 section 2006-B(d.2):

26 (1) Each school that desires to be designated as an  
27 economically disadvantaged school for a school year shall  
28 report the following information to the department by the  
29 January 1 preceding the applicable school year:

30 (i) The total number of students who attend the

1 school as of the date of the report and are the  
2 recipients of a scholarship under this article.

3 (ii) The total number of students attending the  
4 school as of the date of the report.

5 \* \* \*

6 (5) (i) Each school that has been designated by the  
7 department as an economically disadvantaged school for an  
8 applicable school year shall notify the department by no  
9 later than October 15 of the applicable school year of  
10 the following information for each recipient of a  
11 scholarship registered to attend the school for the  
12 applicable school year:

13 (A) The recipient's name and address.

14 (B) The grade of the recipient for the school  
15 year with respect to which the scholarship and  
16 tuition grant shall be received.

17 (C) The type and amount of [scholarship]  
18 scholarships under this article entitled to  
19 educational tax credits that were received by the  
20 recipient.

21 (D) The names and address of the recipient's  
22 parents or guardians.

23 (E) The amount of tuition charged.

24 (ii) The information submitted in this paragraph  
25 shall be provided to the [opportunity] scholarship  
26 organization for economically disadvantaged schools who  
27 shall distribute the money in accordance with section  
28 2006-B(d.2).

29 (iii) Information submitted by a school designated  
30 by the department as an economically disadvantaged school

1 shall remain confidential and shall not be subject to the  
2 act of February 14, 2008 (P.L.6, No.3), known as the  
3 Right-to-Know Law. The information can be used for  
4 administration of the program.

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

6 (1) This section shall take effect immediately.

7 (2) The addition of section 129 of the act shall take  
8 effect in 180 days.

9 (3) The amendment of sections 1725-A, 2002-B, 2003-B,  
10 2004-B, 2005-B, 2006-B and 2009-B of the act shall take  
11 effect July 1, 2021, or immediately, whichever is later.

12 (4) The remainder of this act shall take effect in 60  
13 days.