

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1

Session of 2021

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

SENATOR MARTIN, EDUCATION, RE-REPORTED AS AMENDED, JUNE 15, 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 AND for State Charter School Appeal Board review and, <--
31 PROVIDING FOR PAYMENTS TO CYBER CHARTER SCHOOLS AND FURTHER
32 PROVIDING for applicability of other provisions of this act
33 and of other acts and regulations; and, in educational tax
34 credits, further providing for definitions, for qualification

1 and application by organizations, for application by business
2 firms, for tax credits, for limitations and for opportunity
3 scholarships.

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

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

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

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

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

1 instructional programs or operate in a more effective, efficient
2 or economical manner.

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

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

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

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

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

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

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

19 (2) Shall approve a waiver application that:

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

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

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

1 (f) The following shall apply:

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

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

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

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

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

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

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

1 discrimination, Articles VI, VI-A, XI, XI-A, XII, XIII-A, XIII-
2 B, XIII-C, XIII-D, XIII-E, XIV, XVII-A and this section.

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

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

6 Chapter 10 (relating to safe schools).

7 Chapter 11 (relating to student attendance).

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

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

11 Chapter 15 (relating to protected handicapped students).

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

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

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

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

20 (4) For area career and technical schools, Article XVIII and
21 22 Pa. Code Ch. 339 (related to vocational education).

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

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

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

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

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

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

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

12 "State Board." The State Board of Education.

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

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

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

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

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

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

1 term.

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

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

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

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

25 Section 1602-B. Definitions.

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

29 * * *

30 "Concurrent student." A student who is enrolled in a school

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

6 * * *

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

10 * * *

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

13 Section 1613-B. Concurrent enrollment agreements.

14 * * *

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

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

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

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

1 regulating staff, student and school activities or any activity
2 where the official action has an economic impact of greater than
3 a de minimis nature on the interests of any person.

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

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

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

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

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

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

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

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

1 charter school must be organized as a public, nonprofit
2 corporation. Charters may not be granted to any for-profit
3 entity.

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

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

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

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

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

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

30 "Department" shall mean the Department of Education of the

1 Commonwealth.

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

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

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

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

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

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

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

30 "Secretary" shall mean the Secretary of Education of the

1 Commonwealth.

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

4 Section 1714-A. Powers of Charter [~~Schools~~] School

5 Entities.--(a) A charter school entity established under this
6 act is a body corporate and shall have all powers necessary or
7 desirable for carrying out its charter, including, but not
8 limited to, the power to:

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

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

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

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

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

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

23 (6.1) Incur debt for the construction of school facilities.

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

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

29 (c) Any indebtedness incurred by a charter school entity in
30 the exercise of the powers specified in this section shall not

1 impose any liability or legal obligation upon a school entity or
2 upon the Commonwealth.

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

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

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

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

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

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

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

30 (ii) It shall not be a violation of this paragraph for a

1 charter school entity to utilize a sectarian facility:

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

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

8 (C) in which the unused portion of the facility or its
9 common areas do not contain religious symbols and objects.

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

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

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

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

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

1 construction projects and construction-related work:

2 (i) The following provisions of this act:

3 (A) Sections 751 and 751.1.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Section 1716-A. Powers and Duties of Board of Trustees.--(a)
2 The board of trustees of a charter school entity shall have the
3 authority to decide matters related to the operation of the
4 school, including, but not limited to, budgeting, curriculum and
5 operating procedures, subject to the school's charter. The board
6 shall have the authority to employ, discharge and contract with
7 necessary professional and nonprofessional employes subject to
8 the school's charter and the provisions of this article.

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

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

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

24 (b.2) A member of the board of trustees of a charter school
25 entity shall take the oath of office as required under section
26 321 before entering upon the duties of their office.

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

1 (b.4) A member of the board of trustees of a charter school
2 entity may not be compensated for duties on the board of
3 trustees.

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (d) An administrator shall be immediately dismissed upon
30 conviction for an offense graded as a felony, an infamous crime,

1 an offense pertaining to fraud, theft or mismanagement of public
2 funds or any crime involving moral turpitude.

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

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

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

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

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

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

1 support of the school becoming a charter school.

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

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

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

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

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

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

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

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

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

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

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

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

1 the local board of school directors at a public meeting, with
2 notice or consideration of the application given by the board,
3 under [the "Sunshine Act."] 65 Pa.C.S. Ch. 7.

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

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

28 (g) Notwithstanding the provisions of subsection (e) (5),
29 failure by the local board of directors to hold a public hearing
30 and to grant or deny the application for a charter school within

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

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

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

30 (2) In order for a charter school applicant to be eligible

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

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

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

1 the following:

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

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

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

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

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

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

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

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

30 (6) In any appeal, the decision made by the ~~commission or~~ <--

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

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

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

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

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

1 application and sign the charter within ten (10) days of notice
2 of the reversal of the decision of the ~~commission or~~ local board <--
3 of directors, the charter shall be deemed to be approved and
4 shall be signed by the chairman of the appeal board.

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

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

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

11 ~~Section 1717.1 A. Public Charter School Commission. (a)~~

12 ~~The Public Charter School Commission is established within the~~
13 ~~Commonwealth. The purpose of the commission shall be to act as~~
14 ~~an authorizer of high quality public charter schools throughout~~
15 ~~this Commonwealth.~~

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

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

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

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

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

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

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

30 ~~(3) Members appointed to the commission shall collectively~~

~~1 possess strong experience and expertise in public and nonprofit
2 governance, management and finance, public school leadership,
3 assessment, curriculum and instruction and public education law.~~

~~4 (c) The following shall apply to terms:~~

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

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

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

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

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

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

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

1 ~~on the commission.~~

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

6 ~~(h) The following shall apply to operations:~~

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

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

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

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

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

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

1 ~~(3) The General Assembly shall consider the budget request~~
2 ~~and make an annual appropriation to the commission for the~~
3 ~~salary and benefits of the executive director and other~~
4 ~~necessary expenses.~~

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

8 ~~(j) The following shall apply:~~

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

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

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

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

28 ~~Section 1717.2 A. Application Process. (a) In reviewing~~
29 ~~and evaluating charter applications, the commission shall employ~~
30 ~~procedures, practices and criteria consistent with this article~~

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

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

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

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

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

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

~~1 application shall permit the applicant to file its application
2 as an appeal to the appeal board. The appeal board shall review
3 the application within thirty (30) days of receipt and make a
4 decision to grant or deny a charter based on the criteria
5 established under subsection (a) 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 (c.1) Upon approval of a charter application under
10 subsection (c), a written charter shall be developed containing
11 the provisions of the charter application. This written charter
12 may not contain any provision requiring a charter school entity
13 to forfeit the charter school entity's due process rights under
14 this article to appeal with the appeal board. The written
15 charter shall be signed by the commission or the chair of the
16 appeal board in accordance with sections 1717 A(i) (9) or 1746
17 A(b) (4) and the charter school entity's board of trustees. The
18 written charter, when duly signed, shall act as legal
19 authorization for the establishment of the charter school entity
20 and shall be legally binding on the commission and the charter
21 school entity's board of trustees.~~

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

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

1 ~~commission or appeal the decision to the appeal board for~~
2 ~~consideration under section 1717 A(i) or 1746 A.~~

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

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

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

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

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

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

29 ~~(ii) A failure to meet or make progress toward the~~
30 ~~performance expectations under 22 Pa. Code Ch. 5 (relating to~~

~~1 curriculum) or subsequent regulations promulgated to replace 22-~~
~~2 Pa. Code Ch. 5 or performance standards in an approved charter.~~
~~3 (iii) A failure to meet generally accepted standards of~~
~~4 fiscal management or audit requirements.~~
~~5 (iv) A violation of this article.~~
~~6 (v) A violation of a provision of law from which the charter~~
~~7 school entity has not been exempted, including Federal laws and~~
~~8 regulations governing children with disabilities.~~
~~9 (vi) A conviction of fraud of the charter school entity.~~
~~10 (4) A notice of revocation or nonrenewal of a charter by the~~
~~11 commission shall state the grounds for the action with~~
~~12 reasonable specificity and give reasonable notice to the~~
~~13 governing board of the charter school entity of the date on~~
~~14 which a public hearing concerning the revocation or nonrenewal~~
~~15 shall be held. The commission shall conduct a hearing, present~~
~~16 evidence in support of the grounds for revocation or nonrenewal~~
~~17 stated in its notice and give the charter school entity~~
~~18 reasonable opportunity to offer testimony before taking final~~
~~19 action.~~
~~20 (5) Formal action by the commission to revoke or not renew a~~
~~21 charter shall be adopted by resolution at a public meeting under~~
~~22 65 Pa.C.S. Ch. 7 after the public has had at least thirty (30)~~
~~23 days to provide comments to the commission.~~
~~24 (6) The commission shall clearly state in the resolution~~
~~25 approved under paragraph (5) the commission's reasons to revoke~~
~~26 or not renew the charter.~~
~~27 (7) The charter school entity may appeal the decision of the~~
~~28 commission to revoke or not renew the charter to the appeal~~
~~29 board under section 1729 A(d).~~
~~30 (8) Within fifteen (15) days of taking action to revoke or~~

1 ~~not to renew a charter, the commission shall provide a copy of~~
2 ~~the resolution adopted under paragraph (5) to the department.~~

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

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

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

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

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

29 Section 1718 A. Regional Charter School. * * * <--

30 ~~(b) The commission or boards of school directors of one or~~

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

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

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

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

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

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

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

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

29 (6) The admission and enrollment policy [and criteria for
30 evaluating the admission of students] which shall comply with

1 the requirements of section 1723-A.

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

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

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

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

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

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

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

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

1 residence: Provided, That the student is able to fulfill all of
2 the requirements of participation in such activity and the
3 charter school entity does not provide the same extracurricular
4 activity.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 (2) A school board member.

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

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

20 (5) A member of the business community.

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

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

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

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

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

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

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

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

1 (d) Notwithstanding any other provision of this act, a
2 school district of the first class may, in its discretion,
3 permit a charter school to operate its school at more than one
4 location.

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

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

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

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

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

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

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

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

1 community college or institution under Article XX-A.

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

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

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

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

17 [If] For a charter school or regional charter school, if more
18 students apply to the charter school or regional charter school
19 than the number of attendance slots available in the school,
20 then students must be selected on a random basis from a pool of
21 [qualified applicants meeting the established eligibility

22 criteria and submitting an application] eligible applicants who
23 have submitted an enrollment form in accordance with paragraphs
24 (3) and (4) by the deadline established by the charter school or
25 regional charter school, except that the charter school or
26 regional charter school may give preference in enrollment to a
27 child of a parent who has actively participated in the
28 development of the charter school [and] or regional charter
29 school to siblings of students presently enrolled in the charter
30 school or regional charter school and to siblings of students

1 selected for enrollment during the lottery process. First
2 preference shall be given to students who reside in the district
3 or districts[.] in which the charter school is physically
4 located or in which the regional charter school is chartered.

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

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

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

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

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

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

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

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

29 (b) (1) A charter school entity shall not discriminate in
30 its admission policies or practices on the basis of intellectual

1 ability, [except as provided in paragraph (2), or] athletic
2 ability, measures of achievement or aptitude, status as a person
3 with a disability, proficiency in the English language or any
4 other basis that would be illegal if used by a school district.

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

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

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

1 (2) The provisions of this subsection shall apply to a
2 charter school [or cyber charter school] entity regardless of
3 whether the charter was approved prior to or is approved
4 subsequent to the effective date of this subsection.

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

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

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

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

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

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

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

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

28 (f) Temporary professional employes on leave from a school
29 district may accrue tenure in the non-charter public school
30 system at the discretion of the local board of school directors,

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

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

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

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

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

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

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

29 Section 1725-A. Funding for Charter [Schools] School
30 Entities.--(a) Funding for a charter school entity shall be

1 provided in the following manner:

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

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

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

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

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

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

28 (6) Within thirty (30) days after the secretary makes the
29 deduction described in clause (5), a school district may notify
30 the secretary that the deduction made from State payments to the

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

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

1 reduced. Receipt of funds under this subsection shall not
2 preclude a school district from applying for a grant under
3 subsection (c).

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

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

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

1 Section 9. The act is amended by adding a section to read:
2 Section 1725.1-A. Fee Prohibition.--Notwithstanding the
3 authority granted under section 1 of the act of April 2, 1925
4 (P.L.122, No.87), entitled "An act to authorize the
5 Superintendent of Public Instruction to fix and to collect
6 reasonable fees for certain services rendered by that
7 Department," the secretary may not charge a fee for any service
8 or act performed by the department under this article unless
9 otherwise expressly permitted in this article.

10 Section 10. Sections 1727-A, 1729-A, ~~1729.1 A(c), (d)~~ AND <--
11 1729.1-A(D) and (f) ~~and 1731-A~~ of the act are amended to read: <--

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

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

30 (1) One or more material violations of any of the

1 conditions, standards or procedures contained in the written
2 charter signed pursuant to section 1720-A.

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

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

10 (4) Violation of provisions of this article.

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

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

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

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

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

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

30 (b) A member of the board of trustees who is convicted of a

1 felony or any crime involving moral turpitude shall be
2 immediately disqualified from serving on the board of trustees.

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

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

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

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

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

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

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

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

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

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

14 Section 1729.1-A. Multiple Charter School Organizations.--*

15 * * *

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

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

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

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

29 ~~(4) An organizational chart clearly presenting the proposed~~
30 ~~governance structure of the multiple charter school~~

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

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

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

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

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

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

19 (d) A multiple charter school organization may:

20 (1) Participate in the assessment system in the same manner
21 in which a school district participates, with its individual
22 charter schools participating in the assessment system in the
23 same manner as individual schools within school districts. All
24 data gathered for purposes of evaluation shall be gathered in
25 the same manner in which data is gathered in the case of school
26 districts and individual schools within school districts.
27 Nothing in this paragraph shall alter the manner in which
28 charter school performance on assessments is measured as
29 required under the Every Student Succeeds Act (Public Law 114-
30 95, 129 Stat. 1802), or its successor Federal statute.

1 (2) Add existing charter schools to its organization by
2 obtaining the approval of the department and [of] the ~~commission~~ <--
3 ~~or the~~ local board of school directors that granted the initial
4 charter of each charter school proposed to be added under
5 subsection (a) (1).

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

11 * * *

12 (f) Appeals shall be as follows:

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

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

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

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

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

1 (iv) Make its decision based on whether the proposed
2 consolidation satisfies the requirements of subsections (b) and
3 (c).

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

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

14 * * *

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

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

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

1 ~~used to meet the expenses of the charter school as established~~
2 ~~in their charter and as authorized in the provisions of this~~
3 ~~article.~~

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

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

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

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

14 Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,
15 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 742, 752, 753,
16 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1301,
17 1310, 1317, 1317.1, 1317.2, 1318, 1326, 1327, 1327.2, 1329,
18 1330, 1332, 1333, 1333.1, 1333.2, 1333.3, 1303-A, 1333.4, 1341,
19 1342, 1343, 1344, 1345, 1513, 1517, 1518, 1521, 1523, 1531,
20 1547, 2014-A, Article XIII-A and Article XIV.

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

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

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

1 attend postsecondary institutions of higher learning, making an
2 appropriation, and providing for the administration of this
3 act."

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

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

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

12 Section 5.216 (relating to ESOL).

13 Section 5.4 (relating to general policies).

14 Chapter 11 (relating to pupil attendance).

15 Chapter 12 (relating to students).

16 Section 32.3 (relating to assurances).

17 Section 121.3 (relating to discrimination prohibited).

18 Section 235.4 (relating to practices).

19 Section 235.8 (relating to civil rights).

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

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

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

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

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

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

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

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

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

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

30 (A) a material component of the student's

1 education as required under this subdivision is not
2 being provided; or

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

6 (4) Execute charters after approval.

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

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

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

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

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

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

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

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

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

1 section 1747-A(11).

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

5 (1) A copy of the charter.

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

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

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

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

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

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

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

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

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

1 (6) The address of the cyber charter school and the
2 name, telephone number and e-mail address of the school
3 administrator and other school personnel.

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

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

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

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

14 (11) Information on:

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

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

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

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

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

30 (1) provide all instructional materials[;], which may

1 include electronic or digital books in place of textbooks;

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

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

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

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

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

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

1 any changes in this information within ten days of the change.

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

14 ~~Section 1744 A. School district and intermediate unit~~
15 ~~responsibilities.~~

<--

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

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

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

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

1 ~~it charges a school district.~~

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

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

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

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

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

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

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

30 (c) Attendance.--Attendance at a cyber charter school shall

1 satisfy requirements for compulsory attendance.

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

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

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

22 (f) Evaluation criteria.--

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

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

29 (ii) The capability of the cyber charter school
30 applicant, in terms of support and planning, to provide

1 comprehensive learning experiences to students under the
2 charter.

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

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

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

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

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

1 renewed for a period of five years by the department.] term
2 shall be as follows:

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

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

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

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

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

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

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

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

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

1 of the ~~commission or~~ department, including: <--

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

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

4 (3) The revocation of a charter.

5 (4) An appeal under section ~~1717.2 A or~~ 1745-A(h). <--

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

7 (1) Review the decision made by the ~~commission or~~ <--

8 department under subsection (a) on the record as certified by

9 the ~~commission or~~ department. The secretary shall recuse <--

10 himself from all cyber charter school appeals and shall not

11 participate in a hearing, deliberation or vote on a cyber

12 charter school appeal. The appeal board may allow the

13 ~~commission, the~~ department, the cyber charter school <--

14 applicant or the board of trustees of a cyber charter school

15 to supplement the record if the supplemental information was

16 previously unavailable.

17 (2) Meet to officially review the certified record no

18 later than 30 days after the date of filing the appeal.

19 (3) Issue a written decision affirming or denying the

20 appeal no later than 60 days following its review. Failure by

21 the appeal board to satisfy the time periods specified under

22 paragraph (2) and this paragraph shall deem the charter

23 application approved, renewed or not revoked.

24 (4) In the case of a decision by the department to deny

25 a cyber charter application, make its decision based on

26 section 1745-A(f) (1) ~~[.] or in the case of a decision made by~~ <--

27 ~~the commission to deny a cyber charter application, make its~~

28 ~~decision based on section 1717.2 A.~~ A decision by the appeal

29 board to reverse the decision of the ~~commission or~~ department <--

30 and grant a charter shall serve as a requirement for the

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

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

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

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

22 SECTION 11.1. THE ACT IS AMENDED BY ADDING A SECTION TO <--

23 READ:

24 SECTION 1748.1-A. PAYMENTS TO CYBER CHARTER SCHOOLS.

25 THE AMOUNT PAID BY A SCHOOL DISTRICT TO A CYBER CHARTER
26 SCHOOL AS PROVIDED IN SECTION 1725-A SHALL BE ADJUSTED AS
27 FOLLOWS:

28 (1) FOR THE 2021-2022 SCHOOL YEAR, FOR EACH NONSPECIAL
29 EDUCATION STUDENT ENROLLED, SUBTRACT \$250 FROM THE AMOUNT
30 AND, FOR EACH SPECIAL EDUCATION STUDENT ENROLLED, SUBTRACT

1 \$500 FROM THE AMOUNT.

2 (2) FOR THE 2022-2023 SCHOOL YEAR, FOR EACH NONSPECIAL
3 EDUCATION STUDENT ENROLLED, SUBTRACT \$500 FROM THE AMOUNT
4 AND, FOR EACH SPECIAL EDUCATION STUDENT ENROLLED, SUBTRACT
5 \$1,000 FROM THE AMOUNT.

6 (3) FOR THE 2023-2024 SCHOOL YEAR AND EACH SCHOOL YEAR
7 THEREAFTER, FOR EACH NONSPECIAL EDUCATION STUDENT ENROLLED,
8 SUBTRACT \$750 FROM THE AMOUNT AND, FOR EACH SPECIAL EDUCATION
9 STUDENT ENROLLED, SUBTRACT \$1,500 FROM THE AMOUNT.

10 Section 12. Section 1749-A of the act, amended October 29,
11 2020 (P.L.722, No.84), is amended to read:

12 Section 1749-A. Applicability of other provisions of this act
13 and of other acts and regulations.

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

16 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
17 436, 443, 510, 518, 527, 708, 752, 753, [755,] 771, 776, 777,
18 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,
19 1302, 1310, 1317.2, 1318, 1326, 1327, 1327.2, 1329, 1330,
20 1332, 1333, 1333.1, 1333.2, 1333.3, [1303-A,] 1333.4, 1518,
21 1521, 1523, 1531, 1547, 1702-A, 1703-A, [1714-A, 1715-A,
22 1716-A, 1716.1-A, 1719-A, 1721-A,] 1722-A, [1723-A(a) and
23 (b), 1724-A,] 1725-A, [1727-A,] 1729-A[, 1730-A, 1731-A(a) (1)
24 and (b)] and 2014-A and Articles XII-A, XIII-A and XIV.

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

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

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

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

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

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

17 (1) Chapter 4 (relating to academic standards and
18 assessment).

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

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

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

22 (5) Section 121.3 (relating to discrimination
23 prohibited).

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

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

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

28 (c) Existing charter schools.--

29 (1) The charter of a charter school approved under
30 section 1717-A or 1718-A which provides instruction through

1 the Internet or other electronic means shall remain in effect
2 for the duration of the charter and shall be subject to the
3 provisions of Subdivision (b).

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

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

10 (ii) Section 1744-A.

11 (iii) Section 1748-A.

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

16 Section 2002-B. Definitions.

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

20 * * *

21 "Economically disadvantaged school." Any school within this
22 Commonwealth at which at least [75%] 65% of the students
23 attending the school in the immediately preceding school year
24 received a scholarship of at least \$1,000 pursuant to this
25 article.

26 * * *

27 "Fiscal year." The Commonwealth's fiscal year beginning July
28 1 and ending June 30.

29 * * *

30 "School-related fees." Fees charged by a school to all

1 students for books, instructional materials, technology
2 equipment and services, uniforms [and], activities and
3 concurrent enrollment programs under Article XVI-B.

4 * * *

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

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

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

11 * * *

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

14 (1) [In] Effective July 1, 2021, in addition to the
15 other requirements of this article, [an opportunity] a
16 scholarship organization that intends to provide
17 [opportunity] scholarship awards to applicants of
18 economically disadvantaged schools must demonstrate a history
19 of serving schools throughout this Commonwealth and the
20 capacity to distribute [opportunity] scholarships Statewide
21 to applicants of economically disadvantaged schools.

22 (2) [An opportunity] A scholarship organization must
23 agree to distribute [opportunity] scholarships to applicants
24 of economically disadvantaged schools not later than
25 [December] February 1 of the applicable school year.

26 (3) Notwithstanding any other provision of this article
27 to the contrary, the department may not for any school year
28 qualify more than one [opportunity] scholarship organization
29 for the provision of [opportunity] scholarships to applicants
30 of economically disadvantaged schools.

1 * * *

2 Section 2004-B. Application by business firms.

3 (a) Scholarship organization, pre-kindergarten scholarship
4 organization or opportunity scholarship organization.--

5 * * *

6 (2) A business firm that intends to apply to the
7 department for a tax credit for contributions [to the
8 opportunity scholarship organization that qualifies under
9 section 2003-B(d.3)] for students attending an economically
10 disadvantaged school must submit an application separate from
11 an application for tax credits to a scholarship organization,
12 pre-kindergarten scholarship organization or [other]
13 opportunity scholarship organization. The contribution shall
14 be made to the designated scholarship organization for the
15 economically disadvantaged schools and shall be separately
16 accounted for and distributed by the designated scholarship
17 organization.

18 * * *

19 Section 15. Section 2005-B(b), (c) (2), (d), (i) (5) and (j)
20 (1) and (2) of the act are amended and subsection (i) is amended
21 by adding a paragraph to read:

22 Section 2005-B. Tax credits.

23 * * *

24 (b) Additional amount.--In accordance with section 2006-B,
25 the Department of Revenue shall grant a tax credit of up to 90%
26 of the total amount contributed during the taxable year if the
27 business firm provides a written commitment to provide the
28 scholarship organization, educational improvement organization
29 or opportunity scholarship organization with the same amount of
30 contribution for two consecutive [tax] taxable years. The

1 business firm must provide the written commitment under this
2 subsection to the department at the time of application.

3 (c) Pre-kindergarten scholarship organizations.--In
4 accordance with section 2006-B, the Department of Revenue shall
5 grant a tax credit against any applicable tax to a business firm
6 providing proof of a contribution to a pre-kindergarten
7 scholarship organization in the taxable year in which the
8 contribution is made in accordance with the following:

9 * * *

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

14 (d) Combination of tax credits.--In accordance with section
15 2006-B, a business firm may receive tax credits from the
16 Department of Revenue in any [tax] fiscal year for any
17 combination of contributions under subsection (a), (a.1), (b) or
18 (c). Except as provided in subsection (i), in no case may a
19 business firm receive tax credits in any [tax] fiscal year in
20 excess of the following:

21 (1) \$750,000 for combined contributions to scholarship
22 and educational improvement organizations under subsections
23 (a) and (b).

24 (2) \$750,000 for contributions to opportunity
25 scholarship organizations under subsections (a.1) and (b).

26 (3) \$200,000 for contributions to pre-kindergarten
27 scholarship organizations under subsection (c).

28 * * *

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

30 * * *

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

19 (5) Notwithstanding a temporary increase in maximum tax
20 credits available under this subsection, the limitations set
21 forth in subsections (a), (a.1), (c) and (d) relating to the
22 maximum amount of tax credits a business firm can receive
23 during a year for contributions to a category of scholarship
24 organizations, opportunity scholarship organizations or pre-
25 kindergarten scholarship organizations shall be reinstated
26 for all applications accepted by the department [on or] after
27 [December 1] June 30 of the fiscal year.

28 (j) Reallocation of tax credits.--

29 (1) Beginning on January 1 of any fiscal year, if any
30 tax credits authorized under this article for contributions

1 to any of the categories of scholarship organizations,
2 opportunity scholarship organizations or pre-kindergarten
3 scholarship organizations remain unawarded, such unawarded
4 tax credits may be reallocated to any of the categories of
5 scholarship organizations, opportunity scholarship
6 organizations or pre-kindergarten scholarship organizations
7 for which all available tax credits have been awarded. The
8 department shall, within 10 business days, inform each
9 business firm on the waiting list maintained by the
10 department under subsection (h) that tax credits remain
11 available under another category for which the business firm
12 has not yet applied. If a business firm notified under this
13 paragraph elects, the department shall reallocate available
14 tax credits for award to the business firm in the business
15 firm's preferred tax credit category, notwithstanding the
16 limitations contained in section 2006-B(a). [The amount of
17 tax credits to be awarded to a business firm under this
18 paragraph shall not exceed the amount of tax credits
19 available for reallocation or the maximum amount of tax
20 credits for which a business firm is eligible under
21 subsections (a), (a.1), (c) and (d).] Each business firm
22 shall have 10 business days from the date of the department's
23 notice to elect a reallocation of tax credits under this
24 paragraph. The department shall award tax credits on a first-
25 come, first-served basis.

26 (2) After the department has awarded tax credits under
27 paragraph (1), the department shall accept new applications
28 for reallocation of tax credits from any of the categories of
29 scholarship organizations, opportunity scholarship
30 organizations or pre-kindergarten scholarship organizations

1 for which tax credits remain available to the applicant's
2 preferred category of scholarship organizations, opportunity
3 scholarship organizations or pre-kindergarten scholarship
4 organizations for which all available tax credits have been
5 awarded, notwithstanding any limitations contained in section
6 2006-B(a) [. The amount of tax credits to be awarded to a
7 business firm under this paragraph shall not exceed the
8 amount of tax credits available for reallocation or the
9 maximum amount of tax credits for which a business firm is
10 eligible under] or the limitations in subsections (a), (a.1),
11 (c) and (d). The department shall award tax credits on a
12 first-come, first-served basis.

13 * * *

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

16 Section 2006-B. Limitations.

17 (a) Amount.--

18 (1) The total aggregate amount of all tax credits
19 approved for contributions from business firms to scholarship
20 organizations, educational improvement organizations and pre-
21 kindergarten scholarship organizations shall not exceed
22 \$185,000,000 in a fiscal year, or \$300,000,000 beginning in
23 fiscal year 2021-2022.

24 (i) No less than [~~\$135,000,000~~] \$185,000,000 or
25 61.66% of the total aggregate amount shall be used to
26 provide tax credits for contributions from business firms
27 to scholarship organizations.

28 (ii) No less than [~~\$37,500,000~~] \$50,000,000 or
29 16.67% of the total aggregate amount shall be used to
30 provide tax credits for contributions from business firms

1 to educational improvement organizations.

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

6 (iv) No more than \$50,000,000 or 16.67% of the total
7 aggregate amount shall be used to provide tax credits for
8 contributions from business firms to increase the
9 scholarship or pre-kindergarten scholarship by \$2,000 or,
10 in the case of a scholarship for a student attending a
11 secondary school, by \$4,000, for a student attending an
12 economically disadvantaged school, to the extent that the
13 total amount of scholarships, pre-kindergarten
14 scholarships and opportunity scholarships will not exceed
15 the lesser of \$7,500 of the school's tuition.

16 (2) The total aggregate amount of all tax credits
17 approved for contributions from business firms to opportunity
18 scholarship organizations shall not exceed ~~[\$55,000,000]~~
19 \$100,000,000. ~~[in a fiscal year and no less than \$5,000,000~~
20 ~~of the total aggregate amount shall be used to provide tax~~
21 ~~credits for contributions from business firms to increase the~~
22 ~~scholarship amount to students attending an economically~~
23 ~~disadvantaged school by up to \$1,000 more than the amount~~
24 ~~provided during the immediately preceding school year.]~~

25 (a.1) Increases.--

26 (1) Beginning in fiscal year 2022-2023, in any fiscal
27 year in which the total aggregate amount of tax credits
28 approved under subsection (a)(1) for the prior fiscal year is
29 equal to or greater than 90% of the total aggregate amount of
30 tax credits available under subsection (a)(1) for the prior

1 fiscal year, the total aggregate amount of tax credits
2 available under subsection (a) (1) shall increase by 25%. The
3 department shall publish on its publicly accessible Internet
4 website the total aggregate amount of tax credits available
5 if the amount is increased under this paragraph.

6 (2) Beginning in fiscal year 2022-2023, in any fiscal
7 year in which the total aggregate amount of tax credits
8 approved under subsection (a) (2) for the prior fiscal year is
9 equal to or greater than 90% of the total aggregate amount of
10 tax credits available under subsection (a) (2) for the prior
11 fiscal year, the total aggregate amount of tax credits
12 available under subsection (a) (2) shall increase by 25%. The
13 department shall publish on its publicly accessible Internet
14 website the total aggregate amount of tax credits available
15 if the amount is increased under this paragraph.

16 * * *

17 Section 17. Section 2009-B(e) and ~~(f) (1) and (5)~~ (F) (5) of <--
18 the act are amended to read:

19 Section 2009-B. Opportunity scholarships.

20 * * *

21 (e) Amount.--

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

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

30 (2) [(i) Except as otherwise provided in subparagraph

1 (ii), the] The maximum amount of an opportunity
2 scholarship awarded to an applicant with a disability
3 shall be \$15,000.

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

8 (3) In no case shall the combined amount of the
9 opportunity scholarship awarded to a recipient and any
10 additional financial assistance provided to the recipient
11 exceed the tuition rate and school-related fees for the
12 participating public school or participating nonpublic school
13 that the recipient will attend.

14 (f) Designation, reports and notices.--~~For purposes of~~ <--
15 ~~section 2006 B(d.2):~~

16 ~~(1) Each school that desires to be designated as an~~
17 ~~economically disadvantaged school for a school year shall~~
18 ~~report the following information to the department by the~~
19 ~~January 1 preceding the applicable school year:~~

20 ~~(i) The total number of students who attend the~~
21 ~~school as of the date of the report and are the~~
22 ~~recipients of a scholarship under this article.~~

23 ~~(ii) The total number of students attending the~~
24 ~~school as of the date of the report.~~

25 * * *

26 (5) (i) Each school that has been designated by the
27 department as an economically disadvantaged school for an
28 applicable school year shall notify the department by no
29 later than October 15 of the applicable school year of
30 the following information for each recipient of a

1 scholarship registered to attend the school for the
2 applicable school year:

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

4 (B) The grade of the recipient for the school
5 year with respect to which the scholarship and
6 tuition grant shall be received.

7 (C) The type and amount of [scholarship]
8 scholarships under this article entitled to
9 educational tax credits that were received by the
10 recipient.

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

13 (E) The amount of tuition charged.

14 (ii) The information submitted in this paragraph
15 shall be provided to the [opportunity] scholarship
16 organization for economically disadvantaged schools who
17 shall distribute the money in accordance with section
18 2006-B(d.2) 2003-B(D.3). <--

19 (iii) Information submitted by a school designated
20 by the department as an economically disadvantaged school
21 shall remain confidential and shall not be subject to the
22 act of February 14, 2008 (P.L.6, No.3), known as the
23 Right-to-Know Law. The information can be used for
24 administration of the program.

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

26 (1) This section shall take effect immediately.

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

29 (3) The amendment of sections 1725-A, 2002-B, 2003-B,
30 2004-B, 2005-B, 2006-B and 2009-B of the act shall take

1 effect July 1, 2021, or immediately, whichever is later.

2 (4) The remainder of this act shall take effect in 60
3 days.