AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in preliminary provisions, providing for advertising; in terms and courses of study, further providing for agreements with institutions of higher education; in opportunities for educational excellence, further providing for responsibilities of school entities; in charter schools, further providing for short title, for legislative intent, for definitions and for powers of charter schools, providing for powers of authorizers, further providing for charter school requirements, for powers of board of trustees, for establishment of charter school, for regional charter school, for contents of application and for term and form of charter, providing for charter amendments, further providing for State Charter School Appeal Board, for facilities, for enrollment, for school staff and for funding for charter schools, providing for funding for cyber charter schools, further providing for transportation, for tort liability, for annual reports and assessments, for causes for nonrenewal or termination, for multiple charter school organizations, for desegregation orders and for charter school grants, providing for accountability matrix, further providing for provisions applicable to charter schools, for powers and duties of department, for assessment and evaluation, for cyber charter school requirements and prohibitions, for school district and intermediate unit responsibilities and for establishment of cyber charter school, providing for cyber charter amendments, further providing for State Charter School Appeal Board review, for cyber charter school application and for enrollment and notification, providing for enrollment parameters, further
providing for applicability of other provisions of this act
and of other acts and regulations, for effect on certain
existing charter schools, and for regulations, and providing
for cyber charter school moratorium; and, in reimbursements
by Commonwealth and between school districts, further
providing for approved reimbursable annual rental for leases
of buildings or portions of buildings for charter school use;
and providing for applicability.

The General Assembly of the Commonwealth of Pennsylvania

hereby enacts as follows:

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

Section 129. Advertising.--(a) A paid media advertisement
by a public school entity that refers to the cost of tuition,
technology, transportation or other expenses shall not advertise
those expenses as free, and any reference to tuition,
technology, transportation or other expenses must indicate that
the cost is covered by taxpayer dollars. A paid media
advertisement shall include a television, radio, newspaper,
magazine or movie theater advertisement, billboard, bus poster
or Internet-based or other commercial method that may promote
enrollment in a public school entity.

(b) For the purposes of this section, "public school entity"
shall mean a public school district, charter school entity,
intermediate unit or area career and technical school.

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

Section 1525. Agreements with Institutions of Higher
Education.--(a) Notwithstanding any other provision of law to
the contrary, a school district, charter school, regional
charter school, cyber charter school or area career and
technical school may enter into an agreement with one or more
institutions of higher education approved to operate in this
Commonwealth in order to allow [resident] students to attend

2020D09476 - 2 -
such institutions of higher education while the [resident] students are enrolled in the school district, charter school, regional charter school, cyber charter school or area career and technical school. The agreement may be structured so that high school students may receive credits toward completion of courses at the school district, charter school, regional charter school, cyber charter school or area career and technical school and at institutions of higher education approved to operate in this Commonwealth.

(b) Charter schools, regional charter schools and cyber charter schools that offer students enrollment at an institution of higher education as part of the high school program and pay the costs of the tuition, fees and textbooks on behalf of students shall continue to receive tuition as calculated under section 1725-A or 1725.1-A for the students.

(c) If the cost of the higher education tuition, fees and textbooks are paid by the student of any charter school, regional charter school or cyber charter school, the amount paid for the tuition, fees and textbooks shall be deducted from the school district of residence's payment under section 1725-A or 1725.1-A to the charter school, regional charter school or cyber charter school.

(d) School districts shall make no payment to charter schools, regional charter schools or cyber charter schools if the student pays the cost of full-time enrollment to the institution of higher education.

(e) Notwithstanding any provision of law to the contrary, if a school district's payment to a charter school, regional charter school or cyber charter school under section 1725-A or 1725.1-A is greater than the cost of tuition, fees and textbooks
paid by the charter school, regional charter school or cyber
charter school multiplied by the number of higher education
courses a student is enrolled in, the school district's payment
under section 1725-A or 1725.1-A shall be reduced by the
difference.

Section 3. Section 1611-B of the act is amended by adding a
subsection to read:

Section 1611-B. Responsibilities of school entities.

** *

(g) Revenue received by school district.--Notwithstanding
any provision of law to the contrary, the expenditures of
revenues received by a school district under section 1603-B
shall not be included in the school district's total expenditure
per average daily membership used to calculate the amount to be
paid to a charter school entity under section 1725-A or 1725.1-
A.

Section 4. Sections 1701-A and 1702-A of the act are amended
to read:

Section 1701-A. Short Title.--This article shall be known
and may be cited as the "Charter School Law."

Section 1702-A. Legislative Intent.--It is the intent of the
General Assembly, in enacting this article, to provide pupils
and community members to establish and maintain schools that
operate independently from the existing school district
structure as a method to accomplish all of the following:

(1) Improve pupil learning.
(2) Increase learning opportunities for all pupils.
(3) Encourage the use of different and innovative teaching
methods.
(4) Create new professional opportunities for teachers,
including the opportunity to be responsible for the learning
program at the school site.

(5) Provide parents and pupils with expanded choices in the
types of educational opportunities that are available within the
public school system.

(6) Hold the schools established under this act accountable
for meeting measurable academic standards and provide the school
with a method to establish accountability systems.

Section 5. Section 1703-A of the act, amended October 30,
2019 (P.L.460, No.76), is amended to read:

Section 1703-A. Definitions.---[As] Unless the context
clearly indicates otherwise, as used in this article,
"Accountability matrix" shall mean an annual report by the
department to evaluate the academic performance, operations,
governance and financial management of charter school entities.

"Aid ratio" and "market value/income aid ratio" shall be:
(1) the aid ratio and market value/income aid ratio for the
school district that granted a charter to the charter school;
(2) for a regional charter school, the aid ratio and market
value/income aid ratio shall be a composite, as determined by
the department, based on the school districts that granted the
charter; or
(3) for a cyber charter school, the aid ratio and market
value/income aid ratio shall be that of the school district in
which the administrative offices of the cyber charter school are
located.

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

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

"Authorizer" shall mean one of the following with the powers
under section 1714.1-A:

(1) A board of school directors.
(2) A board of education of a school district.
(3) The department, for a cyber charter school.

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

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

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

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

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

"Compensation" shall include money or other remuneration received from a charter school entity.

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

"Educational management service provider" shall mean a nonprofit or for-profit charter management organization, education management organization, school design provider, business manager or any other entity or individual that enters into a contract or agreement with a charter school entity to provide educational design, business services, comprehensive management or personnel functions or to implement the charter. The term shall not include a charter school foundation.

"Emergency" shall mean a fire, flood, environmental hazard or other major disruption that impacts or could impact the health or safety of students or staff or renders all or part of a charter school facility unfit for use or occupation.

"Family member" shall mean a parent, guardian, stepparent, child, stepchild, spouse, domestic partner, brother, sister, stepbrother, stepsister, grandparent, grandchild, parent-in-law, brother-in-law, sister-in-law, aunt, uncle, or first cousin.

"Local board of school directors" shall mean the board of directors of a school district in which a proposed or an approved charter school is located.

"Material term" for purposes of amendments to a charter, shall mean the following:

(1) Name change of a charter school or cyber charter school.
(2) Change in building location or addition of a new facility.

(3) Change in charter management organization or education management service provider.

(4) Change to curriculum provider.

(5) Change to mission or educational plan.

(6) Change to grade levels served.

(7) Enrollment expansion based on the maximum authorized enrollment for the term of the charter.

(8) Any information as required by sections 1717-A, 1719-A or 1747-A from an applicant, as specifically relevant to the component of the charter that the school seeks to amend.

"Multiple charter school organization" shall mean a public, nonprofit corporation under the oversight of a single board of trustees and a chief administrator that operates two (2) or more charter schools under section 1729.1-A.

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

"School district of residence" shall mean the school district in this Commonwealth in which the parents or guardians of a child reside.

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

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

"State board" shall mean the State Board of Education of the
Section 6. Section 1714-A of the act is amended to read:

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

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

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

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

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

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

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

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

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

(8) Establish plans, policies and practices consistent with its charter, this article and Federal and State laws.

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

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

Section 7. The act is amended by adding a section to read:

Section 1714.1-A. Powers of Authorizers.--(a) An authorizer
of a charter school shall have all powers necessary for granting
or denying new charter applications; for executing, amending,
renewing, revoking or nonrenewing charter agreements; and for
overseeing and monitoring charter schools that the authorizer or
the State Charter School Appeal Board has authorized, including,
but not limited to, the following powers:

(1) Annually assess and evaluate the academic performance,
accepted standards of fiscal management and audit requirements,
governance and operations of a charter school to determine if
the charter school is meeting the requirements of its charter
and all applicable Federal, State and local laws.

(2) Conduct a comprehensive review and evaluation of the
academic performance, accepted standards of fiscal management,
and audit requirements, governance and operations of a charter
school for purposes of renewal or nonrenewal or revocation to
determine if the charter school is meeting the requirements of
its charter and all applicable Federal, State and local laws.

(3) Access documents, systems and facilities of the charter
school and any related charter school foundation or education
management service provider promptly after requests concerning
documents, systems and facilities are submitted to the charter
school, charter school foundation or education management
service provider.

(4) Develop or supplement model charter school application
forms and model charter school renewal application forms to
address local concerns specific to the authorizer, such as
student populations, current charter school entity performance
and facility locations.

(b) An authorizer of a cyber charter school shall have all
of the following powers:

(1) Grant or deny new charter applications.
(2) Execute, amend, renew, revoke or nonrenew charter
agreements.
(3) Oversee and monitor cyber charter schools as set forth
in subsection (a).

Section 8. Sections 1715-A and 1716-A of the act are amended
to read:

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

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

(2) A charter school entity shall be accountable to the
parents, guardians, families, the public, the authorizer of the
charter school and the Commonwealth, with the delineation of
that accountability reflected in the [charter] charters.
Strategies for meaningful parent, guardian, family and community
involvement shall be developed and implemented by each [school]
charter school or cyber charter school.

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

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

(5) A charter school entity shall not provide any religious
instruction, nor shall it display religious objects and symbols
on the premises of the charter school entity.

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

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

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

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

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

(i) The following provisions of this act:
(A) Sections 751 and 751.1.

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

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

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


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

(11) Trustees of a charter school entity shall be public officials[1] for the purposes of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure), and each trustee shall file a statement of financial interests for the preceding calendar year with the board of trustees of the charter school entity, the State Ethics Commission and the authorizer of the charter school or cyber charter school not later than May 1 of each year that members hold the position and of the year after a member leaves the position. In the event that the trustee was appointed or selected after May 1, the trustee shall file a statement of financial interests in accordance with this clause within thirty (30) days of appointment or selection. All members of the board of trustees of a charter school entity shall take the oath of office as required under section 321 before entering upon the duties of their office.

(12) (i) A person who serves as an administrator for a charter school entity shall be an employe of the charter school entity and shall not receive compensation from another charter
school entity, from an educational management service provider, from a charter school foundation or from a company that provides management or other services to another charter school entity. The term "administrator" shall include the chief executive officer of a charter school entity and all other employes of a charter school entity who by virtue of their positions exercise management or operational oversight responsibilities.

(ii) A person who serves as an administrator for a charter school entity shall be a public official under 65 Pa.C.S. Ch. 11 [(relating to ethics standards and financial disclosure).] and shall file a statement of financial interest for the preceding calendar year with the board of trustees of the charter school entity, the State Ethics Commission and the authorizer of the charter school or cyber charter school not later than May 1 of each year that the person holds the position and of the year after the person leaves the position. In the event that the administrator was appointed after May 1, the administrator shall file a statement of financial interest in accordance with this clause within thirty (30) days of appointment. A violation of this clause shall constitute a violation of 65 Pa.C.S. § 1103(a) (relating to restricted activities), and the violator shall be subject to the penalties imposed under the jurisdiction of the State Ethics Commission.

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

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

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

(1) No more than ten (10) days after the minutes of any
prior public meeting of the board of trustees are approved,
copies of the meeting minutes and agenda for charter school
entities shall be:

(i) Made available for inspection and copying upon request.

(ii) Provided to the charter school entity authorizer or, in
the case of a multiple charter school organization, to the
authorizer for each charter school.

(iii) Posted on its publicly accessible Internet website, if
one is maintained.

(2) The meeting agendas and the meeting minutes required
under clause (1) shall remain posted on the charter school
entity's publicly accessible Internet website, if one is
maintained, for at least two (2) years after the meeting agendas
and the meeting minutes were first posted. Nothing in this
section shall be construed to limit the charter school entity's
obligations to comply with the act of February 14, 2008 (P.L. 6,
No. 3), known as "the Right-to-Know Law," or any other Federal or
State law requiring public disclosure.

(3) The requirements of this subsection shall not apply to
matters discussed in executive sessions of the board of
trustees, provided that the meeting agenda and meeting minutes
shall identify that an executive session was planned or held and
the general purpose of the executive session, including
identification of legal proceedings under 65 Pa.C.S. Ch. 7.

(d) (1) An individual shall be prohibited from serving as a
voting member of the board of trustees of a charter school
entity under any of the following conditions:

(i) If the individual or a family member of the individual
is employed by or receives money or remuneration from the
charter school entity.

(ii) If the individual is employed by either:
(A) the board of trustees or directors of a charter school
foundation that supports the charter school entity; or
(B) the board of trustees or directors of an educational
management service provider that contracts with the charter
school entity.

(iii) If the individual is employed by or is a member of the
local board of school directors of the authorizer of the charter
school.

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

Any member of the board of trustees of a charter school entity
who in the discharge of the person's official duties would be
required to vote on a matter that would result in a conflict of
interest shall abstain from voting and follow the procedures
required under 65 Pa.C.S. § 1103(i) (relating to restricted
activities). A member of the board of trustees of a charter
school entity who knowingly violates this subsection commits a
violation of 65 Pa.C.S. § 1103(a) and shall be subject to the
penalties imposed under the jurisdiction of the State Ethics
Commission. A contract made in violation of this subsection
shall be voidable by a court of competent jurisdiction.

(3) A member of the board of trustees of a charter school
entity or family member of a member of a board of trustees of a
charter school entity shall not, directly or through any other
individual, entity, partnership or corporation in which the
member holds stock or has a financial interest or other
organization, provide a loan, forbearance or forgiveness of a
loan or other debt, service or product or lease property to the
charter school entity. A member of the board of trustees of a
charter school entity who violates this subsection commits a
violation of 65 Pa.C.S. § 1103(a) and shall be subject to the
penalties imposed under the jurisdiction of the State Ethics
Commission. A contract made in violation of this subsection
shall be voidable by a court of competent jurisdiction.

(e) No member of the board of trustees of a charter school
entity shall be compensated for duties on the board of trustees,
except that the charter school entity may reimburse the members
for reasonable expenses incurred in the performance of their
duties. A report detailing the reasons for and amounts of
reimbursements paid to each member of the board of trustees
shall be made available upon request of any person, including in
response to a request under the "Right-to-Know Law."

(f) (1) A majority of the voting members of the board of
trustees shall constitute a quorum. If less than a majority is
present at any meeting, no business may be transacted at the
meeting. Members of the board may participate in a meeting by
telephone conference or other electronic technology by means of
which all individuals participating in the meeting can hear each
other.

(2) The affirmative vote of a majority of all the voting
members of the board of trustees, duly recorded, shall be
required in order to take official action.

(g) (1) The board of trustees of a charter school entity
shall consist of a minimum of seven (7) nonrelated voting
members who are not family members. If a charter school entity
has fewer than seven (7) members, who are not family members,
serving on its board of trustees on the effective date of this
subsection, the charter school entity shall, within sixty (60)
days, appoint or select additional members to the board of
trustees to meet the minimum requirements of this section.

(2) The board of trustees shall include at least one of each
of the following:

(i) A certified public school educator not employed by the
charter school entity.

(ii) A parent, guardian or family member of a student
enrolled in the charter school entity or an alumnus of the
charter school entity.

(iii) A member of the community served by the charter school
entity.

(3) At least half of the members of the board of trustees
shall be appointed or selected through a procedure that provides
for the appointment and selection of the members by the
residents of the community served by the charter school entity.

(4) A member of the board of trustees of a charter school
entity shall be automatically disqualified and immediately
removed from the board of trustees upon conviction or upon a
plea of guilty or nolo contendere for an offense graded as a
felony, an infamous crime, an offense pertaining to fraud, theft
or mismanagement of public funds, any offense pertaining to the
member's official capacity as a member of the board of trustees,
an offense listed in section 111(e) or any crime involving moral
turpitude. A member of the board of trustees may also be removed
from the board of trustees for violation of the standards for
board of trustees' performance, including compliance with all
applicable laws, regulations and terms of the charter.

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

Section 1716.1-A. Agreements or Contracts with Educational
Management Service Providers.--(a) A board of trustees of a
charter school entity may enter into an agreement or contract
with an educational management service provider to provide
educational design, business services, comprehensive management,
or personnel functions or to implement its charter or charters.

The following apply:

(1) The board of trustees of the charter school entity shall
retain ultimate and actual authority for the operation of the
charter school, and the charter school shall be independent of
the educational management service provider.

(2) The educational management service provider may not
provide business services to the charter school entity if it is
also providing other services to the charter school entity under
the agreement or contract unless the board of trustees has
established procedures to ensure that all individual payments to
the educational management service provider are reviewed and
authorized by an administrator of the charter school entity and
the board of trustees of the charter school entity.

(3) The educational management service provider shall not
provide a loan or other funding to a charter school entity
unless the loan or other funding is an arms-length transaction
that is documented in writing with repayment, term, interest,
termination and other customary provisions.

(4) No employee of a charter school entity may be supervised
by an employee or contractor of the educational management
service provider unless the contract or agreement provides that
the employee may appeal the terms of supervision to the board of
trustees of the charter school entity.

(5) The educational management service provider shall not
lease property to the charter school entity.

(6) Each service provided by the educational management
service provider and the cost for the service must be separately
identified in the charter school entity's agreement or contract
with the educational management service provider and in the
associated invoice or billing statement, or the equivalent.

(7) Each service provided by the educational management
service provider must be severable so that the board of trustees
of the charter school entity may terminate or make revisions to
one service without termination or revision by the educational
management service provider of any other service, except by
express agreement of the board of trustees of the charter school
entity.

(8) An educational management service provider agreement or
contract must provide that the educational management service
provider may not terminate the agreement or contract without
providing at least one (1) year's notice to the charter school
entity. The agreement or contract shall provide that the
educational management service provider may terminate the
agreement or contract earlier only if expressly agreed to by the
board of trustees of the charter school entity following the
educational management service provider's notice of intent to
terminate the agreement or contract.

(9) The charter school entity shall be permitted to
terminate the agreement or contract with no more than thirty
(30) days' notice.

(10) If a charter school entity applicant has entered into
an agreement or contract before applying for or receiving a
charter, the charter school entity's application must include
evidence that the board of trustees has reviewed each service to
be provided and determined, through competitive bidding or at
least three quotes for professional services, that each service
to be provided by the educational management service provider is
provided at fair market value.

(11) The agreement or contract shall terminate upon closure
of the charter school entity unless the board of trustees of the
charter school entity and the educational management service
provider agree in writing that the educational service provider
will provide services related to the dissolution of the charter
school entity.

(12) The educational management service provider shall not
charge a percentage or contingency fee for services.

(13) Any employee or contractor assigned to the charter
school entity by the educational management service provider
must be individually identified, along with the employee's or
contractor's job functions, in the agreement or contract and in
any invoice or billing statement, or the equivalent.

(14) The educational management service provider shall
provide to the board of trustees of the charter school entity,
on request, a copy of any record relating to the services
provided under the agreement or contract.
(b) Any educational management service provider that provides any service to a charter school entity:

(1) Is a local agency for the purpose of the act of February 14, 2008 (P.L.6, No.3), known as the "Right-to-Know Law."

(2) Shall maintain a publicly accessible Internet website detailing the salaries and other compensation and titles of its employees, officers and directors.

(c) Employees of an educational management service provider that provides any service to a charter school entity are public employees for purpose of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure).

Section 10. Sections 1717-A, 1718-A, 1719-A and 1720-A of the act are amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

   (g) Notwithstanding the provisions of subsection (e)(5),
   failure by the local board of directors to hold a public hearing
   and to grant or deny the application for a charter school within
   the time periods specified in subsections (d), (e) and (f) shall
   permit the applicant for a charter to file its application as an
   appeal to the appeal board. In such case, the appeal board shall
   provide notice of the appeal to the local board of directors and
   may allow the local board of directors to be heard on the
   application. If the local board of directors fails to respond
   within ten (10) days, the appeal board shall review the
   application and make a decision to grant or deny a charter based
   on the criteria established in subsection (e)(2).

   (h) In the case of a review by the appeal board [of an
   application], a charter that is revoked or is not renewed, the
   appeal board shall [make its decision based on the criteria
   established in subsection (e)(2).] determine whether the
   decision to revoke or not renew the charter by the local board
   of directors was arbitrary and capricious. If the appeal board
   finds that the decision was arbitrary and capricious, the appeal
   board shall reverse the decision of the local board of
   directors. A decision by the appeal board under this subsection
   or subsection (g) to grant, to renew or not to revoke a charter
   shall serve as a requirement for the local board of directors of
   a school district or school districts, as appropriate, to sign
   the written charter of the charter school as provided for in
   section 1720-A. Should the local board of directors fail to
   grant the application and sign the charter within ten (10) days
of notice of reversal of the decision of the local board of
directors, the charter shall be deemed to be approved and shall
be signed by the [chairman] chairperson of the appeal board.

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

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

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

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

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

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

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

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

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

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

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

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

(6) In any appeal, the decision made by the local board of
directors shall be reviewed by the appeal board on the record as
certified by the local board of directors. The appeal board
shall [give due consideration to the findings of the local board
of directors] determine whether the decision of the local board
of directors was arbitrary and capricious and specifically
articulate its reasons for [agreeing or disagreeing with those]
its findings in [its] a written decision. The appeal board shall
have the discretion to allow the local board of directors and
the charter school applicant to supplement the record if the
supplemental information was previously unavailable.

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

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

(9) A decision of the appeal board to reverse the decision
of the local board of directors shall serve as a requirement for
the local board of directors of a school district or school
districts, as appropriate, to grant the application and sign the
written charter of the charter school as provided for in section
1720-A. Should the local board of directors fail to grant the
2 application and sign the charter within ten (10) days of notice
3 of the reversal of the decision of the local board of directors,
4 the charter shall be deemed to be approved and shall be signed
5 by the [chairman] chairperson of the appeal board.
6 (10) All decisions of the appeal board shall be subject to
7 appellate review by the Commonwealth Court.
8 Section 1718-A. Regional Charter School.--(a) A regional
9 charter school may be established by an individual, one or more
10 teachers who will teach at the proposed charter school; parents
11 or guardians of students who will attend the charter school; any
12 nonsectarian college, university or museum located in this
13 Commonwealth; any nonsectarian corporation not-for-profit, as
14 defined in 15 Pa.C.S. (relating to corporations and
15 unincorporated associations); any corporation, association or
16 partnership; or any combination thereof. A regional charter
17 school may be established by creating a new school or by
18 converting an existing public school or a portion of an existing
19 public school. Conversion of an existing public school to a
20 regional charter school shall be accomplished in accordance with
21 section 1714-A(b). No regional charter school shall be
22 established or funded by and no charter shall be granted to any
23 sectarian school, institution or other entity.
24 (b) The boards of school directors of one or more school
25 districts may act jointly to receive and consider an application
26 for a regional charter school, except that any action to approve
27 an application for a charter or to sign a written charter of an
28 applicant shall require an affirmative vote of a majority of all
29 the directors of each of the school districts involved. The
30 applicant shall apply for a charter to the board of directors of

2020D09476
any school district in which the charter school will be located.

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

Section 1719-A. Contents of Application.--[An application]

(a) The department shall create and publish a model application
form, in paper and electronic formats, that an applicant seeking
to establish a charter school shall, at a minimum, complete as
part of its application. The forms shall be published in the
Pennsylvania Bulletin and posted on the department's publicly
accessible Internet website. The forms shall include all of the
following information:

(1) The identification of the charter applicant.

(2) The name of the proposed charter school.

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

(4) The proposed governance structure of the charter school,
   including a description and method for the appointment or
   [election] selection of members of the board of trustees[.]; a
   copy of the articles of incorporation filed with the Department
   of State; a copy of the by-laws, operating agreement or
   equivalent document adopted by the applicant for the general
   governance of the charter school; and an organization chart,
   clearly presenting the proposed governance structure of the
   charter school, including lines of authority and reporting
   between the board of trustees, administrators, staff and any
   educational management service provider that will provide
   services to the charter school.
(4.1) A description of the roles and responsibilities of the board of trustees, administrators and any other entities, including a charter school foundation and any educational management service provider that will provide educational management services to the charter school, shown in the organization chart.

(4.2) Standards for board of trustees' performance, including compliance with all applicable laws, regulations and terms of the charter.

(4.3) If the charter school entity intends to contract with an educational management service provider for services, the charter school entity shall provide all of the following:

(i) Evidence of the educational management service provider's record, including its record in the schools where the provider provides or has provided services, in serving student populations, including demonstrated academic achievement and growth and demonstrated management of nonacademic school functions, including proficiency with public school-based accounting, if applicable.

(ii) The complete proposed contract or agreement between the charter school and the educational management service provider stating all of the following:

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

(B) The proposed duration of the service contract or agreement.

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

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

(E) Performance evaluation measures and time lines.

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

(G) Methods of oversight and enforcement of the contract or agreement.

(H) Investment disclosure or the advance of any monies by the educational management service provider on behalf of the charter school entity with clear repayment terms.

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

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

(5) The mission and education goals of the charter school, the curriculum to be offered and the methods of assessing whether students are meeting educational goals, including any performance targets outlined in the charter.

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

(7) Procedures which will be used regarding the suspension or expulsion of pupils. Said procedures shall comply with section 1318.
Information on the manner in which community groups will be involved in the charter school planning process.

The financial plan for the charter school, including annual budgets for the first three (3) years of operation of the charter school, and the provisions which will be made for auditing the school under sections 437, 437 and 1728-A, including the role of any charter school foundation. The annual budgets required under this clause shall be prepared on a uniform form made available by the department, which shall require that the applicant provide no more information than that provided by school districts pursuant to section 687.

A description of funds available to the charter school for planning and operation prior to receipt of funds pursuant to section 1725-A or 1725.1-A.

Procedures which shall be established to review complaints of parents and guardians regarding the operation of the charter school.

A description [of] and address of the physical facility in which the charter school will be located [and the ownership thereof and any lease arrangements.], including information related to the facility, its size, location, amenities, ownership, availability for lease or purchase, projected improvements and financing.

Information on the proposed school calendar for the charter school, including the length of the school day and school year consistent with the provisions of section 1502.

The proposed faculty, if already determined, and a professional development and continuing education plan for the faculty and professional staff of [a] the charter school.

Whether any agreements have been entered into or plans...
developed with the local school district regarding participation
of the charter [school] school's students in extracurricular
activities within the school district. Notwithstanding any
provision to the contrary, no school district of residence shall
prohibit a student of a charter school from participating in any
extracurricular activity of that school district of residence:
Provided, That the student is able to fulfill all of the
requirements of participation in such activity and the charter
school does not provide the same extracurricular activity. The
school district of residence may charge the charter school
entity a reasonable amount for a charter school student's
participation in the school district's extracurricular activity,
which amount shall not exceed the actual cost incurred by the
school district for participation by its students in the
activity. The charter school student shall not be required to
pay any costs not also paid by a student enrolled in the school
district for participation in the extracurricular activity.

(15) [A report] Reports of criminal history [record] records
and employment history reviews, pursuant to [section 111,]
sections 111 and 111.1, for each member of the board of trustees
of the charter school, each administrator and all individuals
identified in the application who shall have direct contact with
students[,] and a plan for satisfying the proper criminal
history record clearances and employment history reviews
required for all other staff.

(16) An official clearance statement regarding child injury
or abuse from the Department of [Public Welfare] Human Services
as required by 23 Pa.C.S. Ch. 63 Subch. [C.2] (relating to
background checks for employment in schools)] C (relating to
powers and duties of department) and section 111 for each member

2020D09476 - 35 -
of the board of trustees of the charter school, each
administrator and all individuals identified in the application
who shall have direct contact with students[,] and a plan for
satisfying the proper official clearance statement regarding
child injury or abuse required for all other staff.
[(17) How the charter school will provide adequate liability
and other appropriate insurance for the charter school, its
employees and the board of trustees of the charter school.]

(18) Documentation that a charter school entity possesses
and maintains adequate and appropriate insurance, bond or other
security for the charter school entity and the charter school's
board of trustees and employees to prevent a charter school's
outstanding liabilities and obligations from being imposed upon
school entities or the Commonwealth, or otherwise affect the
rights, benefits or remedies available to the students, parents
or employees of a charter school. The department shall promulgate
final-omitted regulations setting forth minimum security
requirements sufficient to guarantee payment of the charter
school entity's liabilities in accordance with this article.

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

(20) Whether or not the charter school entity will seek
accreditation by a nationally recognized accreditation agency,
including the Middle States Association of Colleges and Schools
or another regional institutional accrediting agency recognized
by the United States Department of Education or an equivalent
Federally recognized body for charter school education.

(21) Documentation that the principal and special education
teachers will be properly certified educators and evidence to
demonstrate the charter school's plan to ensure that other
professional staff are properly certified, including any plans
to contract with other public school entities for services of
professional staff for specialized courses that are not part of
the regular course offerings of the charter school.

(22) A dissolution plan and policy for the charter school
that, at a minimum, specifies all of the following:

(i) the procedures for identifying and designating a
dissolution manager to handle and oversee the dissolution of the
charter school;

(ii) a process for identifying and paying off the
liabilities and debts of the charter school and establishing an
escrow account to handle any future liabilities;

(iii) provisions for a final financial audit of the charter
school;

(iv) plans to provide student records to the school district
of residence;

(v) plans to maintain business records and employee records
of the charter school in an accessible location; and

(vi) plans to complete the dissolution of the charter
school.

(23) For applicants currently operating or managing charter
school entities in this Commonwealth or other states,
information about the academic performance, accepted standards
of fiscal management and audit requirements and governance and
operations of the operating charter school entities for the
three most recent school years for which information is
available as well as academic performance, accepted standards of
fiscal management and audit requirements and governance and
operations for any closed charter school entities that the
applicant had operated or managed in this Commonwealth or
another state.

(b) The department shall create and publish a model renewal
application form, in paper and electronic formats, that a
charter school seeking renewal of its charter shall, at a
minimum, complete as part of its renewal application. The form
shall be published in the Pennsylvania Bulletin and posted on
the department's publicly accessible Internet website. The form
shall include information from subsection (a), as applicable.

(c) The department shall review the model application and
renewal application forms at least every three years and revise
the application forms as needed.

(d) Nothing in this section shall prevent an authorizer from
requiring or evaluating additional information as permitted by
this act.

Section 1720-A. Term and Form of Charter.--(a) Upon
approval of a charter application under section 1717-A, a
written charter shall be developed which shall contain the
provisions of the charter application, the terms and conditions
agreed to by the parties, including the maximum authorized grade
and enrollment provisions, and which shall be signed by the
local board of school directors of a school district, by the
local boards of school directors of a school district in the
case of a regional charter school or by the [chairman]
chairperson of the appeal board pursuant to section 1717-A(i)(5)
and the board of trustees of the charter school. This written
charter, when duly signed by the local board of school directors
of a school district, or by the local boards of school directors
of a school district in the case of a regional charter school,
and the charter school's board of trustees, shall act as legal
authorization for the establishment of a charter school. This
written charter shall be legally binding on both the local board
of school directors of a school district and the charter
school's board of trustees. Except as otherwise provided in
subsection (b) subsections (b) and (c), the charter shall be
for a period of no less than three (3) nor more than five (5)
years and may be renewed for five (5) year periods upon
reauthorization by the local board of school directors of a
school district or the appeal board. A charter will be granted
only for a school organized as a public, nonprofit corporation.
(b) (1) Notwithstanding subsection (a), a governing board
of a school district [of the first class] may renew a charter
for a period of at least one (1) year, but less than five years,
if the board of school directors determines that:
(i) there is insufficient data concerning the charter
school's:
(A) academic performance to adequately assess that
performance [determines that an], including any performance
targets as outlined in the charter;
(B) governance and operations; and
(C) accepted standards of fiscal management and audit
requirements; and
(ii) additional [year of performance] data would yield
sufficient data to assist the governing board in its decision
whether to renew the charter for a period of five (5) years.
(2) A [one-year] renewal pursuant to paragraph (1) shall not
be considered an adjudication and may not be appealed to the
State Charter School Appeal Board.
(3) A governing board of a school district [of the first
class] does not have the authority to renew a charter for
successive [one (1) year] periods of at least one (1) year but
less than five (5) years.

(c) At the discretion of a local board of school directors,
a charter may be renewed for a period of ten (10) years if the
local board of school directors determines that the charter
school primarily serves students residing in a specific
geographic area or a defined at-risk student population, which
shall be described in the written charter. The decision of the
local board of school directors to deny a ten (10) year charter
under this subsection may not be appealed.

Section 11. The act is amended by adding a section to read:

Section 1720.1-A. Charter Amendments.--(a) Except in cases
of requests for expedited consideration of a charter amendment
request as provided in subsection (b), a charter school desiring
to amend a material term of its charter shall first submit a
written proposal outlining the proposed amendment to the
authorizer. Within sixty (60) days of submission of the written
proposal, and at least ten (10) days before November 1 of the
school year preceding the school year in which the charter
school proposes to operate pursuant to the proposed amendment,
the authorizer shall provide a written response to the charter
school identifying the form and scope of the information
necessary for review of the amendment request. At a minimum, the
scope of information to be submitted shall include all that
information required when submitting a new charter application
as specifically relevant to the component of the charter that
the school seeks to amend.

(b) A charter school shall submit a request for an amendment
to its charter in the form and containing the information.
identified by the authorizer or the department under subsection
(a) no later than November 1 of the school year preceding the
school year in which the charter school proposes to operate
pursuant to the proposed amendment.

c) The authorizer shall review the charter school's
amendment request pursuant to the criteria in section 1717-A(e)
(2) and any criteria set forth in a policy adopted by the
authorizer.

d) Within sixty (60) days of receipt by the authorizer of a
charter school's charter amendment request, the authorizer shall
publish a public notice of the requested amendment and accept
the submission of public comments for at least thirty (30)
days. In addition to publishing a public notice, the authorizer
shall hold a public hearing on the provisions of the charter
amendment request under 65 Pa.C.S. Ch. 7 (relating to open
meetings).

e) Within one-hundred and eighty (180) days of the receipt
by the authorizer of the charter amendment request, the
authorizer shall grant or deny the request. Written notice of
the authorizer's action shall be sent to the charter school and
the department.

(f) If the amendment request is granted, the charter
school's written charter shall be supplemented or amended, as
appropriate, to contain the provisions of the amendment request,
and the amended charter shall be signed by the authorizer and
each member of the charter school's board of trustees. The
amended charter, when duly signed, acts as legal authorization
of the operation of the charter school in accordance with the
amended charter. The amended charter is legally binding on the
authorizer and the charter school and its board of trustees. The

2020D09476

- 41 -
amended charter shall be effective for the remainder of the term of the charter.

(q) If the amendment request is denied, the reasons for the denial, including a description of deficiencies in the amendment request, shall be clearly stated in the written notice sent by the authorizer to the charter school. The denial of an amendment pursuant to this section may not be appealed. The decision to deny the request shall not preclude the charter school from revising and resubmitting a request for a charter amendment in the future in accordance with the procedures specified in this section to address any deficiencies in the previous request as identified by the authorizer in its written notice denying the amendment request.

(h) (1) In the event of an emergency as defined in section 1703-A, a charter school may submit an expedited amendment request to the authorizer that includes:

(i) a statement that the charter school is seeking expedited review of a charter amendment request;

(ii) a written proposal outlining the amendment request; and

(iii) the reasons justifying the request for an expedited review.

(2) The authorizer shall provide a written response to the request for an expedited review that confirms whether an expedited review will be conducted and, if so, the information that must be submitted by the charter school for the authorizer's review of the request. If the authorizer does not agree that an expedited review is necessary, the charter school shall submit its request pursuant to the procedures outlined in subsection (a). The determination to not grant an expedited review of the proposed charter amendment request shall not be
appealable.

Section 12. Sections 1721-A, 1722-A, 1723-A, 1724-A and 1725-A of the act are amended to read:

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

(1) A parent of a school-aged child.
(2) A school board member.
(3) A certified teacher actively employed in a public school.
(4) A faculty member or administrative employe of an institution of higher education.
(5) A member of the business community.
(6) A member of the State Board of Education.

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

(b) The appeal board shall meet as needed to fulfill the purposes provided in this subsection. A majority of the members...
of the appeal board shall constitute a quorum, and a majority of
the members of the appeal board shall have authority to act upon
any matter properly before the appeal board. The appeal board is
authorized to establish rules for its operation.
(c) The members shall receive no payment for their services.
Members who are not employees of State government shall be
reimbursed for reasonable expenses incurred in the course of
their official duties from funds appropriated for the general
government operations of the department.
(d) The department shall provide assistance and staffing for
the appeal board. The Governor, through the Governor's General
Counsel, shall provide such legal advice and assistance as the
appeal board may require.
(e) Meetings of the appeal board shall be conducted under
[the act of July 3, 1986 (P.L.388, No.84), known as the
"Sunshine Act." 65 Pa.C.S. Ch. 7 (relating to open meetings).
Documents of the appeal board shall be subject to the [act of
June 21, 1957 (P.L.390, No.212), referred to as the Right-to-
Know Law] act of February 14, 2008 (P.L.6, No.3), known as the
"Right-to-Know Law."
(f) If the appeal board determines that a party to an appeal
under sections 1717-A(h) or (i), 1729-A(d), 1729.2-A(f) or 1746-
A has engaged in arbitrary, dilatory, obdurate or vexatious
conduct with respect to any application, revocation or renewal
decision, the appeal board is authorized to impose against the
party the costs incurred by the appeal board, the department and
the Office of General Counsel in hearing the appeal and may also
impose reasonable counsel fees and other taxable costs against
the party and in favor of the appropriate prevailing party in
the appeal.
Section 1722-A. Facilities.--(a) A charter school may be
located in an existing public school building, in a part of an
existing public school building, in space provided on a
privately owned site, in a public building or in any other
suitable location.
(b) The charter school facility shall be exempt from public
school facility regulations except those pertaining to the
health or safety of the pupils.
(d) Notwithstanding any other provision of this act, a
school district of the first class may, in its discretion,
permit a charter school to operate its school at more than one
location.
(e) (1) Notwithstanding the provisions of section 204 of
the act of May 22, 1933 (P.L.853, No.155), known as The General
County Assessment Law, all school property, real and personal,
owned by any charter school[cyber charter school] entity or an
associated nonprofit foundation, or owned by a nonprofit
corporation or nonprofit foundation and leased to a charter
school[cyber charter school] entity or associated nonprofit
foundation at or below fair market value, that is occupied and
used by any charter school[cyber charter school] entity for
public school, recreation or any other purposes provided for by
this act, shall be made exempt from every kind of State, county,
city, borough, township or other real estate tax, including
payments in lieu of taxes established through agreement with the
Commonwealth or any local taxing authority, as well as from all
costs or expenses for paving, curbing, sidewalks, sewers or
other municipal improvements. Provided, That any charter school
[cyber charter school] entity or owner of property leased to
a charter school[cyber charter school] entity may make a

2020D09476 - 45 -
municipal improvement in a street on which its school property
abuts or may contribute a sum toward the cost of the
improvement.

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

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

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

Section 1723-A. [Enrollment] Admission and Enrollment
Requirements.--(a) (1) All resident children in this
Commonwealth who submit a completed enrollment form qualify for
admission to a charter school within the provisions of
subsection (b). If more students apply to the charter school
than the number of attendance slots available in the school,
then students must be selected on a random basis [from a pool of
qualified] through a public lottery conducted under 65 Pa.C.S.
Ch. 7 (relating to open meetings). The lottery from a pool shall
be comprised of eligible applicants meeting the established
eligibility criteria and submitting an application by the
deadline established by the charter school, except that the
charter school may give preference in enrollment to a child of a
parent who has actively participated in the development of the
charter school and to siblings of students presently enrolled in
the charter school or selected for enrollment during the public
lottery. First preference shall be given to students who reside
in the district or districts[.] in which the charter school is
physically located or in which the regional charter school is
chartered.

(2) After a lottery has been conducted, the charter school
shall place the names of eligible applicants who did not receive
a seat on an ordered waiting list following the charter school's
initial selection of eligible applicants under paragraph (1).

(3) A charter school shall enroll eligible applicants by
taking the next eligible student from the waiting list for an
open space in a particular grade. All children shall be assigned
to the waiting list on a random basis. When selecting and
enrolling eligible applicants from the waiting list, a charter
school shall follow the preferences for students as provided
under paragraph (1) until the charter school again reaches its
maximum authorized enrollment of students under the terms of the
charter school's charter.

(4) If a charter school has a waiting list, once the charter
school has exhausted the waiting list of resident children, it
may then enroll children on the waiting list who reside outside
of the district. Nonresident children shall also be selected and
enrolled on a random basis.

(b) (1) A charter school shall not discriminate in its
admission policies or practices on the basis of intellectual
ability, except as provided in paragraph (2), or athletic
ability, measures of achievement or aptitude, status as a person
with a disability, proficiency in the English language or any
other basis that would be illegal if used by a school district.
(2) A charter school may limit admission to a particular grade level, a targeted population group composed of at-risk students, or areas of concentration of the school such as mathematics, science or the arts. A charter school may establish reasonable criteria to evaluate prospective students which shall be outlined in the school's charter.

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

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

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

(e) (1) A school district's obligation to make payments for students enrolled in a charter school entity shall be governed by section 1725-A or 1725.1-A or, in the case of students who are below a school district's age of enrollment, by the terms of any charter or service contract between a school district and a charter school entity.

(2) Notwithstanding the requirements of clause (1),
language to the contrary in a charter or service contract. 

between a school district and a charter school entity, a school
district shall not be obligated to fund a four-year-old
kindergarten program or full-day kindergarten program if the
school district has exercised its discretion to not offer these
programs in its own schools.

(f) (1) The department shall develop a standard enrollment
form in both paper and electronic formats that shall be used by
all eligible applicants to apply to a charter school. The
standard enrollment form shall only request information
necessary to allow the charter school to identify the student,
grade level and residency, including:

(i) The student's name, address of residence, resident
school district, telephone number, age, birth date and current
grade level.

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

(iii) The date the student will be enrolled.

(iv) A space for the charter school to include the name of
the charter school and the name, telephone number and e-mail
address of a contact person at the charter school.

(v) The signature of the parent or guardian and an
authorized representative of the charter school.

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

(3) A charter school shall maintain and make available in
paper and electronic format the enrollment forms developed by
the department under this subsection in the languages spoken by
two per centum or more individuals in the county in which any of
its facilities is located. The charter school shall ensure that
the forms are translated by a service approved by the
department.

(4) A charter school shall not require or request
information beyond the contents of the standard enrollment form
developed by the department, provided that the charter school
may request information from a student to establish preference
in enrollment to a child of a parent who has actively
participated in the development of the charter school and to
siblings of students presently enrolled in the charter school or
selected for enrollment during the lottery process if the
preference is included as part of the charter school's
enrollment procedures.

(5) Nothing in this section shall be construed to prohibit a
charter school from:

(i) requesting the submission of additional records and
information that public schools are entitled to receive after a
student is accepted for admission to, and has indicated an
intent to enroll in, the charter school; and

(ii) participating in a city-wide or school district-wide
charter application process with the approval of the authorizer
of the charter school.

(g) As used in this section, "eligible applicant" shall mean
a student who is seeking to enter a grade level offered by the
charter school entity and satisfies student residency
requirements.
a charter school entity shall determine the level of
compensation and all terms and conditions of employment of the
staff except as may otherwise be provided in this article. At
least seventy-five per centum of the professional staff members
of a charter school entity shall hold appropriate State
certification. Employees of a charter school entity may organize
under the act of July 23, 1970 (P.L. 563, No. 195), known as the
"Public Employee Relations Act." The board of trustees of a
charter school entity shall be considered an employer for the
purposes of Article XI-A. Upon formation of one or more
collective bargaining units at the school, the board of trustees
shall bargain with the employees based on the provisions of this
article, Article XI-A and the "Public Employee Relations Act."
Collective bargaining units at a charter school entity shall be
separate from any collective bargaining unit of the school
district in which the charter school entity is located and shall
be separate from any other collective bargaining unit. A charter
school entity shall be considered a school entity as provided
for in section 1161-A for the purpose of the secretary seeking
an injunction requiring the charter school entity to meet the
minimum requirements for instruction as provided for in this
article.

(b) Each charter application shall list the general
qualifications needed to staff any uncertified positions.
Professional employees who do not hold appropriate Pennsylvania
certification must present evidence that they:

(i) Meet the qualifications in sections 1109 and 1209.
(ii) Have demonstrated satisfactorily a combination of
experience, achievement and qualifications as defined in the
charter school application in basic skills, general knowledge,
professional knowledge and practice and subject matter knowledge
in the subject area where an individual will teach.

(c) All employees of a charter school entity shall be
enrolled in the Public School Employees' Retirement System in
the same manner as set forth in 24 Pa.C.S. § 8301(a) (relating
to mandatory and optional membership) unless at the time of the
application for the charter school entity the sponsoring
district or the board of trustees of the charter school entity
has a retirement program which covers the employe or the
employe is currently enrolled in another retirement program. The
charter school entity shall be considered a public school as
defined in 24 Pa.C.S. § 8102 (relating to definitions) and shall
make quarterly payments by employers to the Public School
Employees' Retirement System and monthly payments on account of
Social Security as established under 24 Pa.C.S. Pt. IV (relating
to retirement for school employees). Except as otherwise
provided, employes of a charter school entity shall make regular
member contributions as required for active members under 24
Pa.C.S. Pt. IV. If the employes of the charter school entity
participate in another retirement plan, then those employes
shall have no concurrent claim on the benefits provided to
public school employs under 24 Pa.C.S. Pt. IV. Notwithstanding
any other provision of law to the contrary, nothing in this
article shall be construed to require the Commonwealth to make
payments to charter [schools] school entities or contributions
on behalf of charter school entity employes from appropriated
funds, as provided in 24 Pa.C.S. §§ 8326 (relating to
contributions by the Commonwealth) and 8535 (relating to
payments to school entities by Commonwealth) on account of
charter school entity employes enrolled in the Public School
2020D09476
Employees' Retirement System and 24 Pa.C.S. § 8329(a) (relating
to payments on account of social security deductions from
appropriations) on account of Social Security payments made by a
charter school entity.

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

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

(f) Temporary professional employes on leave from a school
district may accrue tenure in the non-charter public school
system at the discretion of the local board of school directors,
the same as they would under Article XI if they had continued to
be employed by that district. Professional employes on leave
from a school district shall retain their tenure rights, as
defined in Article XI, in the school entity from which they
came. No temporary professional employe or professional employe
shall have tenure rights as against a charter school. Both temporary professional employees and professional employees shall continue to accrue seniority in the school entity from which they came if they return to that school entity when the leave ends.

(g) Professional employees who hold a first level teaching certificate may, at their option, have the time completed in satisfactory service in a charter school entity applied to the length of service requirements for the next level of certification.

(h) (1) Any temporary professional employe or professional employe who leaves employment at a charter school entity shall have the right to return to a comparable position for which the person is properly certified in the school entity which granted the leave of absence. In the case where a teacher has been dismissed by the charter school, the school entity which granted the leave of absence is to be provided by the charter school with the reasons for such dismissal at the time it occurs, a list of any witnesses who were relied on by the charter school in moving for dismissal, a description of and access to any physical evidence used by the charter school in moving for dismissal and a copy of any record developed at any dismissal proceeding conducted by the charter school. The record of any such hearing may be admissible in a hearing before the school entity which granted the leave of absence. Nothing in this section shall affect the authority of the board of school directors to initiate proceedings under Article XI if the board determines that occurrences at the charter school leading to dismissal of a teacher constitute adequate and independent grounds for discipline under section 1122.
(2) No temporary employe or professional employe who is
leaving employment at a charter school entity shall be returned
to a position in the public school district which granted his
leave of absence until such public school district is in receipt
of a current criminal history record under section 111 and the
official clearance statement regarding child injury or abuse
from the Department of [Public Welfare] Human Services as
required by 23 Pa.C.S. Ch. 63 [Subch. C.2 (relating to
background checks for employment in schools)] Subch. C (relating
to powers and duties of department).

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

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

(k) Charter school entities shall use the approved rating
tool required by section 1123 and published in 22 Pa. Code Ch.
19 (relating to educator effectiveness rating tool) or an
alternative tool approved by the department under section 1123
to evaluate employees serving as principals or school leaders,
classroom teachers and nonteaching professionals.
(1) As used in this section:

"Nonteaching professionals" shall mean education specialists and employees who provide educational or health or mental health services other than classroom instruction.

"School leader" shall mean an assistant principal or a vice principal.

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

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

(2) For non-special education students, the charter school shall receive for each student enrolled no less than the [budgeted] total expenditure per average daily membership of the prior school year, as defined in section 2501(20), calculated using the school district's annual financial report filed under section 218, minus the [budgeted] revenues received by a school district under section 2599.6(a)(2) and expenditures of the school district of residence for Federal funds; prekindergarten and early intervention programs or other programs charter schools are ineligible to provide; payments to charter schools under this clause; General Fund revenues for tuition from patrons; and private grants, gifts and donations to the school district; nonpublic school programs; adult education programs; community/junior college programs; student transportation services; [for] special education programs; facilities acquisition, construction and improvement services; and other financing uses, including debt service and fund transfers as provided in the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems established by the department. This amount shall be calculated by the department.
pursuant to clause (2.1) and paid by the school district of
residence of each student.

(2.1) On or before April 30 of each school year, the
department shall calculate and post on its publicly accessible
Internet website the per-student amounts payable by a student's
school district of residence under clause (2) using the school
district's annual financial report filed under section 218 and
the school district's average daily membership calculated under
section 2501(3) and 22 Pa. Code § 329.3 (relating to
computations), for the prior school year. The department shall
also post on its publicly accessible Internet website each
school district's average daily membership and the data from
each school district's annual financial report as used to
calculate the per-student amounts under this clause. Until the
department calculates and posts the per-student amounts under
this clause, the per-student amounts payable by a student's
school district of residence shall be the per-student amounts
calculated and posted by the department for the previous school
year. The amounts calculated by the department are not subject
to clause (6).

(2.2) The average daily membership used in calculating the
amount due under clause (2) shall not include the average daily
membership of the school district's resident students enrolled
in charter schools.

(3) For special education students, the charter school shall
receive for each student enrolled the same funding as for each
non-special education student as provided in clause (2), [plus
an additional amount determined by dividing the district of
residence's total special education expenditure by the product
of multiplying the combined percentage of section 2509.5(k)
the district of residence's total average daily membership for the prior school year. This multiplied by one and fifty-one hundredths (1.51) for each special education student for whom the annual expenditure is in Category 1 as reported to the department under section 1372(8); multiplied by three and seventy-seven hundredths (3.77) for each special education student for whom the annual expenditure is in Category 2 as reported to the department under section 1372(8); or multiplied by seven and forty-six hundredths (7.46) for each special education student for whom the annual expenditure is in Category 3 as reported to the department under section 1372(8). For purposes of this clause, Category 3 shall be the sum of students reported in Categories 3A and 3B under section 1372(8). The per-student amount for each Category 1, Category 2 and Category 3 student shall be calculated by the department and posted on its publicly accessible Internet website and shall be paid by the school district of residence of each student. The amounts calculated by the department are not subject to clause (6).

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

(5) Payments shall be made to the charter school in [twelve (12) equal] monthly payments, [by the fifth day of each month, within the operating school year.] using the most currently available per-student amounts calculated and posted by
the department pursuant to clauses (2.1) and (3). All payments made during an operating school year shall be adjusted using the most currently available per-student amounts calculated and posted by the department pursuant to clauses (2.1) and (3). A student enrolled in a charter school shall be included in the average daily membership of the student's school district of residence for the purpose of providing basic education funding payments and special education funding pursuant to Article XXV. If a school district fails to make a payment to a charter school as prescribed in this clause, the secretary shall deduct and pay the estimated amount, as documented by the charter school on forms prescribed by the department, from any and all State payments made to the school district after receipt of documentation from the charter school. A charter school may only seek deduction and payment by the secretary under this clause for estimated amounts owed to the charter school for students enrolled in the most current school year and due as of the date the request is submitted to the secretary. The secretary shall not make a deduction unless the charter school provides the secretary with documentation demonstrating that the charter school presented the school district with a request for payment and that the school district did not make a payment as prescribed by this clause within thirty (30) days of the receipt of the information.

(ii) No later than [October 1] December 31 of each year, a charter school shall submit to the school district of residence of each student final documentation of payment to be made based on the average daily membership for the nonspecial education students enrolled in the charter school and the information reported to the department under section 1372(8) for the special
education students enrolled in the charter school from the
school district for the previous school year[.] and the most
currently available per-student amounts calculated and posted by
the department pursuant to clauses (2.1) and (3). All payments
made during the prior school year shall be adjusted using the
most currently available per-student amounts calculated and
posted by the department pursuant to clauses (2.1) and (3). If a
school district fails to make payment to the charter school, the
secretary shall deduct and pay the amount as documented by the
charter school from any and all State payments made to the
school district after receipt of documentation from the charter
school from the appropriations for the fiscal year in which the
final documentation of payment was submitted to the school
district of residence. The secretary shall not make a deduction
unless the charter school provides the secretary with
documentation demonstrating that the charter school presented
the school district with a request for payment, on or before
December 31, and that the school district did not make a payment
as prescribed by this clause within thirty (30) days of the
receipt of the information. If a charter school does not submit
final documentation of payment to be made to a school district
on or before December 31 as required by this clause, the
secretary shall not deduct funds from State payments to the
school district and shall proceed to adjudicate the charter
school's payment request in a proceeding under the General Rules
of Administrative Practice and Procedure, 1 Pa. Code Part II, or
other applicable regulations promulgated or adopted by the
department, and deduction and payment may be made by the
department following issuance of a final order from any and all
State payments due to a school district in any school year. All
requests for payment under this clause must be submitted to the department no later than April 25 of each year. The secretary shall prioritize payments under this clause before payments under subclause (i).

(iii) The secretary shall not process a request unless the student count reflected in any charter school's request is consistent with terms of the charter agreement signed pursuant to section 1720-A(a).

(iv) The secretary shall not process a deduction for a closed charter school.

(6) Within thirty (30) days after the secretary makes the deduction described in clause (5), a school district may notify the secretary that the deduction made from State payments to the school district under this subsection is inaccurate. The secretary shall provide the school district with an opportunity to be heard concerning whether the charter school documented that its students were enrolled in the charter school, the period of time during which each student was enrolled, the school district of residence of each student and whether the amounts deducted from the school district were accurate. If the secretary determines that a school district or charter school has engaged in arbitrary, dilatory, obdurate or vexatious conduct with respect to any matter heard under this clause, the secretary may impose against the party the costs incurred by the department in hearing the matter and may also impose reasonable counsel fees and other taxable costs against the party and in favor of the appropriate prevailing party in the proceeding.

(7) Notwithstanding any provision of law to the contrary, the department may initiate disciplinary action before the Professional Standards and Practices Commission pursuant to the
act of December 12, 1973 (P.L.397, No.141), known as the
"Educator Discipline Act," against a chief school administrator
of a charter school who intentionally fails to submit the
information required pursuant to section 218, 1372(8) or 2552.1
or who intentionally falsifies a report submitted under section
218, 1372(8) or 2552.1. In addition to any other disciplinary
actions set forth in the "Educator Discipline Act," a chief
school administrator of a charter school who intentionally fails
to submit the information required pursuant to section 218,
1372(8) or 2552.1 or who intentionally falsifies a report
submitted under section 218, 1372(8) or 2552.1 shall be subject
to prosecution for violation of 18 Pa.C.S. § 4904 (relating to
unsworn falsification to authorities). The following civil
penalties may be imposed by the department for violations of
this clause:

(i) for a first violation, no more than two thousand five
hundred dollars ($2,500);

(ii) for a second violation, no more than three thousand
five hundred dollars ($3,500); or

(iii) for a third or subsequent violation, no more than five
thousand dollars ($5,000).

Any penalty imposed under this clause shall be paid to the
department.

(b) The Commonwealth shall provide temporary financial
assistance to a school district due to the enrollment of
students in a charter school who attended a nonpublic school in
the prior school year in order to offset the additional costs
directly related to the enrollment of those students in a public
charter school. The Commonwealth shall pay the school district
of residence of a student enrolled in a nonpublic school in the
2020D09476

- 62 -
prior school year who is attending a charter school an amount equal to the school district of residence's basic education subsidy for the current school year divided by the district's average daily membership for the prior school year. This payment shall occur only for the first year of the attendance of the student in a charter school, starting with school year 1997-1998. Total payments of temporary financial assistance to school districts on behalf of a student enrolling in a charter school who attended a nonpublic school in the prior school year shall be limited to funds appropriated for this program in a fiscal year. If the total of the amount needed for all students enrolled in a nonpublic school in the prior school year who enroll in a charter school exceeds the appropriation for the temporary financial assistance program, the amount paid to a school district for each qualifying student shall be pro rata reduced. Receipt of funds under this subsection shall not preclude a school district from applying for a grant under subsection (c).

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

(d) It shall be lawful for any charter school to receive,
hold, manage and use, absolutely or in trust, any devise,
bequest, grant, endowment, gift or donation of any property,
real or personal and/or mixed, which shall be made to the
charter school for any of the purposes of this article.
(e) It shall be unlawful for any trustee of a charter school
or any board of trustees of a charter school or any other person
affiliated in any way with a charter school to demand or
request, directly or indirectly, any gift, donation or
contribution of any kind from any parent, teacher, employe or
any other person affiliated with the charter school as a
condition for employment or enrollment and/or continued
attendance of any pupil. Any donation, gift or contribution
received by a charter school shall be given freely and
voluntarily.

Section 13. The act is amended by adding a section to read:
Section 1725.1-A. Funding for Cyber Charter Schools.--(a)
Funding for a cyber charter school shall be calculated in the
following manner:
(1) Cyber charter schools may not charge tuition for a
student attending a cyber charter school. Beginning in the 2020-
2021 school year, cyber charter schools shall be paid by a
student's school district of residence using the Statewide Cyber
Charter School Tuition Rate.
(2) For the 2020-2021 school year, for nonspecial education
students, cyber charter schools shall receive for each student
enrolled nine thousand five hundred four dollars and forty-five
cents ($9,504.45). This amount shall be the Statewide Cyber
Charter School Tuition Rate.
(3) Beginning in the 2021-2022 school year and every year
thereafter, the Statewide Cyber Charter School Tuition Rate
2020D09476 - 64 -
shall be calculated using the most recently available annual financial report filed pursuant to section 218 for the five highest-performing cyber charter schools identified by the department pursuant to clauses (4) and (6). For each of the five highest-performing cyber charter schools, the department shall calculate the total expenditure per average daily membership, as defined for school districts in section 2501(20), less the expenditures for special education programs; expenditures for operation and maintenance of plant services; expenditures for facilities acquisition, construction and improvement services; and expenditures for other expenditures and financing uses, as provided for in the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems established by the Office of the Budget. The lowest of the five per-student amounts shall serve as the Statewide Cyber Charter School Tuition Rate to be paid by the school district of residence of each student.

The per-student amounts calculated by the department are not subject to subsection (c).

(4) On or before April 30, 2021, and by April 30 each year thereafter, the department shall calculate and post on its publicly accessible Internet website the Statewide Cyber Charter School Tuition Rate payable by a student's school district of residence under clause (3). The department shall also post on its publicly accessible Internet website the average daily membership of and the data from each of the five (5) highest performing cyber charter schools' annual financial reports used to calculate the Statewide Cyber Charter School Tuition Rate. Until the department calculates and posts the Statewide Cyber Charter School Tuition Rate, the per-student amounts payable by a student's school district of residence shall be the Statewide
Cyber Charter School Tuition Rate for the previous school year.

(5) For each special education student enrolled, cyber charter schools shall receive the Statewide Cyber Charter School Tuition Rate multiplied by one and fifty-one hundredths (1.51) for each special education student for whom the annual expenditure is in Category 1 as reported to the department under section 1372(8); multiplied by three and seventy-seven hundredths (3.77) for each special education student for whom the annual expenditure is in Category 2 as reported to the department under section 1372(8); or multiplied by seventy and forty-six hundredths (7.46) for each special education student for whom the annual expenditure is in Category 3 as reported to the department under section 1372(8). For purposes of this clause, Category 3 shall be the sum of students reported in Categories 3A and 3B under section 1372(8). The per-student amount for each Category 1, Category 2 and Category 3 student shall be calculated by the department and posted on its publicly accessible Internet website and shall be paid by the school district of residence of each student. The per-student amounts calculated by the department are not subject to subsection (c).

(6) Beginning with the 2021-2022 school year and every three (3) years thereafter, the department shall identify the five highest-performing cyber charter schools, as determined by identification of schools' procedures as required by section 6311(c)(4)(D) of the Elementary and Secondary Education Act of 1965 (Public Law 89-10, 20 U.S.C. § 6311(c)(4)(D)) or its successor Federal statute.

(b) (1) Payments shall be made to a cyber charter school in monthly payments using the most currently available per-student amounts calculated and posted by the department pursuant to
subsection (a). All payments made during an operating school year shall be adjusted using the most currently available per-student amounts calculated and posted by the department pursuant to subsection (a). A student enrolled in a cyber charter school shall be included in the average daily membership of the student's school district of residence for the purpose of providing basic education funding payments and special education funding pursuant to Article XXV. If a school district fails to make a payment to a cyber charter school as prescribed in this clause, the secretary shall deduct and pay the estimated amount, as documented by the cyber charter school on forms prescribed by the department, from any and all State payments made to the school district after receipt of documentation from the cyber charter school. A cyber charter school may only seek deduction and payment by the secretary under this clause for estimated amounts owed to the cyber charter school for students enrolled in the most current school year and due as of the date the request is submitted to the secretary. The secretary shall not make a deduction unless the cyber charter school provides the secretary with documentation demonstrating that the cyber charter school presented the school district with a request for payment and that the school district did not make a payment as prescribed by this clause within thirty (30) days of the receipt of the information.

(2) No later than December 31 of each year, a cyber charter school shall submit to the school district of residence of each student final documentation of payment to be made based on the average daily membership for the nonspecial education students enrolled in the cyber charter school and the information reported to the department under section 1372(8) for the special
education students enrolled in the cyber charter school from the school district for the previous school year and the most currently available per-student amounts calculated and posted by the department pursuant to subsection (a). All payments made during the prior school year shall be adjusted using the most currently available per-student amounts calculated and posted by the department pursuant to subsection (a). If a school district fails to make payment to the cyber charter school, the secretary shall deduct and pay the amount as documented by the cyber charter school from any and all State payments made to the school district after receipt of documentation from the cyber charter school from the appropriations for the fiscal year in which the final documentation of payment was submitted to the school district of residence. The secretary shall not make a deduction unless the cyber charter school provides the secretary with documentation demonstrating that the cyber charter school presented the school district with a request for payment on or before December 31 and that the school district did not make a payment as prescribed by this clause within thirty (30) days of the receipt of the information. If a cyber charter school does not submit final documentation of payment to be made to a school district on or before December 31 as required by this clause, the secretary shall not deduct funds from State payments to the school district and shall proceed to adjudicate the cyber charter school's payment request in a proceeding under 1 Pa. Code Part II (relating to general rules of administrative practice and procedure), or other applicable regulations promulgated or adopted by the department, and deduction and payment may be made by the department following issuance of a final order from any and all State payments made to a school.
district in any school year. All requests for payment under this
clause must be submitted to the department no later than April
25 of each year. The secretary shall prioritize payments under
this clause before payments under clause (1).

(3) The secretary shall not process a request unless the
student count reflected in any cyber charter school's request is
consistent with terms of the charter agreement signed pursuant
to section 1741-A.

(4) The secretary shall not process a request for a closed
cyber charter school.

(c) Within thirty (30) days after the secretary makes a
deduction described in subsection (b), a school district may
notify the secretary that the deduction made from State payments
to the school district under this subsection is inaccurate. The
secretary shall provide the school district with an opportunity
to be heard concerning whether the cyber charter school
documented that its students were enrolled in the cyber charter
school, the period of time during which each student was
enrolled, the school district of residence of each student and
whether the amounts deducted from the school district were
accurate. If the secretary determines that a school district or
cyber charter school has engaged in arbitrary, dilatory,
obdurate or vexatious conduct with respect to any matter heard
under this subsection, the secretary may impose against the
party the costs incurred by the department in hearing the matter
and may also impose reasonable counsel fees and other taxable
costs against the party and in favor of the appropriate
prevailing party in the proceeding.

(d) Notwithstanding any provision of law to the contrary,
the department may initiate disciplinary action before the
Professional Standards and Practices Commission pursuant to the
act of December 12, 1973 (P.L.397, No.141), known as the
"Educator Discipline Act," against a chief school administrator
of a cyber charter school who intentionally fails to submit the
information required pursuant to section 218, 1372(8) or 2552.1
or who intentionally falsifies a report submitted under section
218, 1372(8) or 2552.1. In addition to any other disciplinary
actions set forth in the "Educator Discipline Act," a chief
school administrator of a cyber charter school who intentionally
fails to submit the information required pursuant to section
218, 1372(8) or 2552.1 or who intentionally falsifies a report
submitted under sections 218, 1372(8) or 2552.1 shall be subject
to prosecution for violation of 18 Pa.C.S. § 4904 (relating to
unsworn falsification to authorities). The following civil
penalties may be imposed by the department for violations of
this clause:

(i) for a first violation, no more than two thousand five
hundred dollars ($2,500);

(ii) for a second violation, no more than three thousand
five hundred dollars ($3,500); or

(iii) for a third or subsequent violation, no more than five
thousand dollars ($5,000).

Any penalty imposed under this clause shall be paid to the
department.

Section 14. Sections 1726-A, 1727-A, 1728-A, 1729.1-A, 1730-
A and 1731-A of the act are amended to read:

Section 1726-A. Transportation.--(a) Students who attend a
charter school located in their school district of residence, a
regional charter school of which the school district is a part
or a charter school located outside district boundaries at a

2020D09476 - 70 -
distance not exceeding ten (10) miles by the nearest public
highway shall be provided free transportation to the charter
school by their school district of residence on such dates and
periods that the charter school is in regular session whether or
not transportation is provided on such dates and periods to
students attending schools of the district. Transportation is
not required for elementary students, including kindergarten
students, residing within one and one-half (1.5) miles or for
secondary students residing within two (2) miles of the nearest
public highway from the charter school in which the students are
enrolled unless the road or traffic conditions are such that
walking constitutes a hazard to the safety of the students when
so certified by the Department of Transportation, except that if
the school district provides transportation to the public
schools of the school district for elementary students,
including kindergarten students, residing within one and one-
half (1.5) miles or for secondary students residing within two
(2) miles of the nearest public highway under nonhazardous
conditions, transportation shall also be provided to charter
schools under the same conditions. Districts providing
transportation to a charter school outside the district and, for
the 2007-2008 school year and each school year thereafter,
districts providing transportation to a charter school within
the district shall be eligible for payments under section 2509.3
for each public school student transported.

(a.1) In addition to any other requirements in this section,
school districts of the first class shall provide transportation
to students who attend a charter school if they are the same age
or are enrolled in the same grade, grades or their grade
equivalents as any of the students of the school district for
whom transportation is provided under any program or policy to
the schools of the school district.

(b) In the event that the Secretary of Education determines
that a school district is not providing the required
transportation to students to the charter school, the Department
of Education shall pay directly to the charter school funds for
costs incurred in the transportation of its students. Payments
to a charter school shall be determined in the following manner:
for each eligible student transported, the charter school shall
receive a payment equal to the total expenditures for
transportation of the school district divided by the total
number of school students transported by the school district
under any program or policy.

(c) The department shall deduct the amount paid to the
charter school under subsection (b) from any and all payments
made to the district.

(d) A school district of the first class shall submit a copy
of its current transportation policy to the department no later
than August 1 of each year.

Section 1727-A. [Tort] Liability and Security.--(a) For
purposes of tort Liability, employees of the charter school
entity shall be considered public employes and the board of
trustees of the charter school entity shall be considered the
public employer in the same manner as political subdivisions and
local agencies. The board of trustees of a charter school entity
and the charter school entity shall be solely liable for any and
all damages of any kind resulting from any legal challenge
involving the operation of a charter school. Notwithstanding
this requirement, the local board of directors of a school
entity shall not be held liable for any activity or operation
related to the program of the charter school entity.

(b) (1) A charter school entity shall possess and maintain adequate and appropriate insurance, bond or other security as provided under section 1719-A(a)(18). The insurance, bond or other security shall be continuously maintained and shall provide coverage during the time a charter school entity is in operation and for sufficient time following a charter school's closure to make payment on all claims known or which could have been known to exist at the time of the school's closure.

(2) The insurance, bond or other security shall provide coverage for educational services and fees and costs incurred by a charter school entity and prevailing parties under the Individuals with Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400 et seq.); section 504 of the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 701 et seq.) and related Federal or State laws; and salary and wage payments due to employees, employer and employee contributions for the Pennsylvania School Employees Retirement System and other retirement programs.

(3) The insurance, bond or other security shall name as additional insureds, or otherwise provide coverage for, the charter authorizer and the Commonwealth and its agencies and officials.

(4) Evidence of adequate and appropriate insurance, bond or other security as required by this subsection shall be made available to the authorizer at the time of initial application and at the time of submission of the charter renewal application. The charter school entity shall also provide evidence of the insurance, bond or other security to parents or guardians or employees of the charter school or to the authorizer.
upon request. The charter school entity shall provide written
notice to the local board of school directors and to the
department within thirty (30) days of any change to the
insurance, bond or security.

(5) The department will promulgate final-omitted regulations
setting forth minimum security requirements sufficient to
quaranty payment of the charter school entity's liabilities in
accordance with this chapter.

Section 1728-A. Annual Reports, Public Reporting and
Assessments.--(a) The local board of school directors shall
annually assess whether each charter school is meeting the goals
of its charter and shall conduct a comprehensive review prior to
granting a five (5) year renewal of the charter. The local board
of school directors shall have ongoing access to the records and
facilities of the charter school entity to ensure that the
charter school is in compliance with its charter and this act
and that requirements for testing, civil rights and student
health and safety are being met.

(b) In order to facilitate the local board's review [and
secretary's report] under subsection (a), each charter school
shall submit an annual report no later than August 1 of each
year to the local board of school directors and the secretary in
the form prescribed by the secretary. A copy of the annual
report submitted under this subsection, including all exhibits
and attachments to the report, shall also be maintained at each
facility of the charter school and be made available for public
inspection and copying, and shall be posted on the charter
school's publicly accessible Internet website, if one is
maintained.

(c) [Five (5) years following the effective date of this
article, the secretary shall contract with an independent
professional consultant with expertise in public and private
education. The consultant shall receive input from members of
the educational community and the public on the charter school
program. The consultant shall submit a report to the secretary,
the Governor and the General Assembly and an evaluation of the
charter school program, which shall include a recommendation on
the advisability of the continuation, modification, expansion or
termination of the program and any recommendations for changes
in the structure of the program.) Charter schools shall comply
fully with the requirements of the Family Educational Rights and
Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232g) and
associated regulations.

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

(1) An enrollment audit to verify the accuracy of student
enrollment, including the enrollment, withdrawal and residency
of students and the availability of current and signed
individualized educational plans for each special education
student, and the reporting of the enrollment information to the
department, the authorizer and the school district of residence.

(2) Full review of expense reimbursements for board of
trustees members and administrators, including sampling of all
reimbursements.
(3) Review of internal controls, including review of receipts and disbursements.

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

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

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

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

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

(f) (1) A charter school shall annually adopt and provide the department and the authorizer with a copy of the annual budget on a form prepared by the department, which shall require that the charter school provide no more information than that provided by school districts pursuant to section 687. At the time of submission of the annual budget form, the charter school shall submit to the authorizer information concerning:

(i) The source of funding for all expenditures.

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

(iii) The salaries of all administrators of the charter
school.

(iv) An itemized list of all expenditures to an educational
management service provider.

(2) The charter school shall print or otherwise make
available for public inspection a copy of the proposed annual
budget to all persons, which shall be made available for
duplication to any person, on request, at least twenty (20) days
prior to the date set for the adoption of the final budget. A
copy of the annual budget shall also be posted on the charter
school's publicly accessible Internet website, if one is
maintained. Fees for duplication under this clause by
photocopying, printing from electronic media, copying onto
electronic media, transmission by facsimile or other electronic
means and other means of duplication shall not exceed those that
may be charged under the act of February 14, 2008 (P.L.6, No.3),
known as the "Right-to-Know Law."

(3) On the date of adoption of the proposed budget required
under this subsection, the president or chair of the charter
school's board of trustees shall certify to the department that
the proposed budget has been prepared, presented and made
available for public inspection using the uniform form prepared
and furnished by the department. The certification shall be in a
form and manner as required by the department. Final action
shall not be taken on any proposed budget that has not been
prepared, presented and made available for public inspection
using the uniform form prepared and furnished by the department.

(4) The annual budget adopted and submitted under this
subsection shall not exceed the amount of funds available to the
charter school.

(g) Notwithstanding any other provision of law, a charter
school and any affiliated charter school foundation shall make
copies of the following available upon request and on the
charter school's or charter school foundation's publicly
accessible Internet website, if one is maintained:

(1) Annual budgets for the charter school, as provided for
in subsection (f), and charter school foundation for the
previous five (5) school years.

(2) Annual Federal and State tax filings, including Internal
Revenue Service Form 990, Return of Organization Exempt from
Income Tax and all related schedules and appendices for the
charter school and charter school foundation for the previous
five (5) school years.

(3) Certified audits under subsection (e) and any Federal
and State audits for the charter school and charter school
foundation for the previous five (5) school years.

(4) Annual reports filed by the charter school under
subsection (b) for the previous five (5) school years.

(5) Annual financial reports filed by the charter school
under section 218 for the previous five (5) school years.

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

(1) One or more material violations of any of the
conditions, standards or procedures contained in the written
charter signed pursuant to section 1720-A.
(2) Failure to meet the requirements for student performance set forth in 22 Pa. Code Ch. 5 (relating to curriculum); 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 5 or failure to meet any performance [standard] targets set forth in the written charter signed pursuant to section 1716-A.

(2.1) Failure to meet any of the following standards established by the department pursuant to Federal or State law:

(i) student attendance;

(ii) graduation rate;

(iii) academic achievement or growth; or

(iv) English learner progress.

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

(4) Violation of provisions of this article.

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

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

(7) Failure to comply with public disclosure requirements, including 65 Pa.C.S. Chs. 7 (relating to open meetings) and 11 (relating to ethics standards and financial disclosure) and the act of February 14, 2008 (P.L.6, No.3), known as the "Right-to-Know Law."

(8) Failure of the charter school or an administrator or member of the board of trustees of the charter school to comply with the conflicts of interest prohibitions in this article or 65 Pa.C.S. Ch. 11.

(9) Failure to timely comply with auditing requirements from which it has not been exempted.
(10) Failure to timely comply with reporting requirements from which it has not been exempted, including the submission of an annual budget required by section 1728-A(g), an annual financial report required by section 218 and the annual report required by section 1728-A(b) in the case of a charter school and section 1743-A(f) in the case of a cyber charter school.

(11) Failure to provide ongoing access to the records and facilities of the charter school as required by section 1728-A(a) or the cyber charter school as required by section 1742-A(3).

(12) Any reason to revoke or not renew a charter as provided in regulations promulgated by the department.

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

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

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

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

(b) [A member of the board of trustees who is convicted of a felony or any crime involving moral turpitude shall be immediately disqualified from serving on the board of trustees.]
(Reserved).

c) Any notice of revocation or nonrenewal of a charter [given by the local board of school directors of a school district] shall be in writing and state the grounds for such action with reasonable specificity and give reasonable notice to the governing board of the charter school of the date on which a public hearing concerning the revocation or nonrenewal will be held. The local board of school directors shall conduct such hearing, present evidence in support of the grounds for revocation or nonrenewal stated in its notice and give the charter school reasonable opportunity to offer testimony before taking final action. Formal action revoking or not renewing a charter shall be taken by the local board of school directors at a public meeting pursuant to [the act of July 3, 1986 (P.L. 388, No. 84), known as the "Sunshine Act,"] Pa.C.S. Ch. 7 (relating to open meetings) after the public has had thirty (30) days to provide comments to the board. Within sixty (60) days following the public meeting in which formal action is taken, the decision of the local board of school directors revoking or not renewing a charter shall be provided to the charter school in writing. All proceedings of the local board pursuant to this subsection shall be subject to 2 Pa.C.S. Ch. 5 Subch. B (relating to practice and procedure of local agencies). Except as provided in subsection (d), the decision of the local board shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating to judicial review of local agency action).

d) [Following the appointment and confirmation of the appeal board, but not before July 1, 1999, the] The charter school may appeal the decision of the local board of school directors to revoke or not renew the charter to the appeal board.
board. The appeal must be filed with the appeal board no later
than thirty (30) days following issuance by the local board of
school directors of its written decision under subsection (c).
The appeal board shall have the exclusive review of a decision
not to renew or revoke a charter. The appeal board shall review
the record and shall have the discretion to supplement the
record if the supplemental information was previously
unavailable. The appeal board may consider the charter school
plan, annual reports, student performance and employe and
community support for the charter school in addition to the
record. The appeal board shall [give due consideration to the
findings of the local board of directors] determine whether the
local board of school directors' decision was arbitrary and
capricious and specifically articulate its reasons for [agreeing
or disagreeing with those] its findings in [its] a written
decision.

(e) If the appeal board determines that the [charter should
not be revoked or should be renewed] local board of school
directors' decision was arbitrary and capricious, the appeal
board shall [order] reverse the local board of [directors to
rescind its revocation or nonrenewal] school directors'
decision.

(f) Except as provided in subsection (g), the charter shall
remain in effect until final disposition by the appeal board. If
the appeal board upholds a determination of a local board of
school directors that the charter should be revoked or not
renewed, the charter shall remain in effect until the end of the
school year or such other time as the appeal board directs.

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

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

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

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

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

(a) Establishment shall be as follows:

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

(i) The department approves the consolidation as proposed in the application form submitted to the department pursuant to subsection (c). If the department does not approve or disapprove the proposed consolidation within [forty-five (45)] ninety (90)
days after receipt of the application, the department will be
deemed to have approved the consolidation.

(ii) Each school district that granted the initial charter
of any charter school included in the proposed consolidation
approves, by a majority vote of the local board of school
directors, a resolution approving the consolidation as proposed
in the application submitted to the local board of school
directors pursuant to subsection (c). If a local board of school
directors does not adopt a resolution under this [clause]
subclause approving or rejecting the proposed consolidation
within [forty-five (45)] ninety (90) days after receipt of the
application, the school district will be deemed to have approved
the consolidation.

(1.1) The application for approval of the consolidation
under clause (1) shall first be submitted simultaneously to the
local board of school directors of each school district that
granted the initial charter of any charter school included in
the proposed consolidation, and only after approval of the
application by each local board of school directors as set forth
in clause (1)(ii) or by the appeal board in an appeal filed
under subsection (f) shall the application be submitted to the
department for approval pursuant to clause (1)(i).

(2) The multiple charter school organization shall be:

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

(ii) subject to all of the requirements of this article
unless otherwise provided for under this section.
(3) Nothing under this section shall be construed to affect or change the terms or conditions of any individual charter previously granted that is consolidated under this section, including, but not limited to, any obligation of a school district to provide transportation for students enrolled in an individual charter school within a multiple charter school organization.

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

(i) Requirements for student performance set forth in 22 Pa. Code Ch. 4 (relating to academic standards and assessment).
(ii) Accepted standards of fiscal management or audit requirements.
(iii) A school performance profile score that is among the top twenty-fifth percentile of Pennsylvania charter schools as measured by the school performance profile for the most recent year for which a school performance profile score is available.]

(Reserved).

(1.1) A charter school that, within the most recent three school years, has failed to meet accepted standards of fiscal management or audit requirements shall not be eligible to consolidate with another charter school.

(1.2) A charter school designated as a Comprehensive Support and Improvement school under the Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802) or an equivalent building level designation under its successor Federal statute shall not be eligible to consolidate with another charter school.

(1.3) A charter school that does not meet the minimum
academic quality benchmark and minimum fiscal management benchmark set pursuant to section 1731.1-A(d)(2) shall not be eligible to consolidate with another charter school.

(2) A single charter school that has failed to meet [any of] the requirements of [paragraph (1)] clauses (1.1) and (1.2) may consolidate if every other charter school in the consolidation [includes a charter school demonstrating] demonstrates that it has satisfied such requirements for the most recent [two (2)] three (3) school years.

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

(1) The name of the multiple charter school organization.
(2) The names of the charter schools seeking consolidation under this section.
(3) A copy of the approved charter of each charter school seeking to consolidate under this section.
(4) An organizational chart clearly presenting the proposed governance structure of the multiple charter school organization, including lines of authority and reporting between the board of trustees, chief administrator, administrators, staff and any educational management service provider that will play a role in providing management services to the charter schools under its jurisdiction.

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

(6) A clear description of the method for the appointment or
[election] selection of members of the board of trustees.

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

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

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

(d) A multiple charter school organization may:

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

(2) Add existing charter schools to its organization by
obtaining the approval of the department and of the local board
of school directors that granted the initial charter of each
charter school proposed to be added under subsection (a)(1) and
(1.1).

(3) Allow students enrolled in an individual charter school
to matriculate to another individual charter school under its
oversight so as to complete a course of instruction in an
educational institution from kindergarten through grade twelve
or otherwise in the best interests of the student[.]\; provided a
school district shall not be obligated to pay tuition related to
the matriculation of a four-year-old kindergarten program or
full-day kindergarten program if the school district has
exercised its discretion to not offer these programs in the
school district's own schools.
(e) A multiple charter school organization shall be regarded
as the holder of the charter of each individual charter school
under its oversight and each previously or subsequently awarded
charter shall be subject to nonrenewal or revocation by the
local board of school directors that granted the initial charter
in accordance with this act. The nonrenewal or revocation of the
charter of an individual charter school under the oversight of a
multiple charter school organization shall not affect the status
of a charter awarded for any other individual charter school
under the oversight of the multiple charter school organization.
(f) Appeals shall be as follows:
(1) The appeal board shall have the exclusive review of an
appeal by an applicant for consolidation, with respect to the
rejection of a proposed consolidation by either the department
or a school district.
(2) In considering an appeal under this section, the appeal
board shall:
(i) Review the decision made by either the department or the
school district on the record as certified by the entity that
made the decision being appealed, provided that the appeal board
may allow the department, a school district or the applicant for
consolidation to supplement the record if the supplemental information was previously unavailable.

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

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

(iv) Make its decision based on whether [the proposed consolidation satisfies the requirements of subsections (b) and (c)] the department's or the school district's decision to deny the consolidation was arbitrary or capricious. The appeal board shall specify its findings in a written decision.

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

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

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

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

(1) Planning grant applications shall be filed on a form and by a date determined by the secretary. The amount of a grant may
vary depending on the size and scope of the planning needed by
the applicant. The application shall address the manner in which
the applicant plans to address the criteria established for
charter schools in sections 1715-A and 1717-A.
(2) Start-up funding grant applications shall be filed on a
form and by a date determined by the secretary. The applicant
for the charter school shall submit its application for a
charter when applying for the grant. A grant for start-up
funding may vary depending on the size and special
characteristics of the charter school. A start-up grant may be
used to meet the expenses of the charter school as established
in their charter and as authorized in the provisions of this
article.
(b) The applicant shall include a copy of a letter informing
the local board of school directors of the school district of
the application for the planning grant if the location of the
proposed charter school is known. An applicant receiving a
start-up funding grant shall notify the school district or
districts signing the charter of receipt of this grant.

Section 15. The act is amended by adding a section to read:
Section 1731.1-A. Accountability Matrix.--(a) Within
twenty-four (24) months of the effective date of this section,
the State board shall develop an accountability matrix to
evaluate the academic performance, operations, governance,
accepted standards of fiscal management and audit requirements
of charter school entities and shall promulgate regulations to
implement this section.
(b) The accountability matrix shall assess performance by
utilizing objective criteria, including, but not limited to, the
following:

2020D09476 - 90 -
(1) Student performance on State assessments.
(2) Growth as measured by the Pennsylvania Value-Added Assessment System or any subsequent growth measure.
(3) Admissions and enrollment practices.
(4) Attendance, chronic absenteeism, truancy and attrition rates.
(5) School climate, safety and student discipline indicators.
(6) Graduation rates and postsecondary transitions for graduates of charter schools with a grade twelve.
(7) Other standardized test scores.
(8) Measures of parent, guardian and family engagement.
(9) Accreditation by a nationally recognized accreditation agency, including the Middle States Association of Colleges and Schools, or another regional institutional accrediting agency recognized by the United States Department of Education or an equivalent Federally recognized body for charter school education.
(10) Organizational governance, viability and compliance with 65 Pa.C.S. Chs. 11 (relating to ethics standards and financial disclosure) 7 (relating to open meetings).
(11) Accepted standards of fiscal management or audit requirements.
(12) Educator certification and measures for assessing educator effectiveness.
(13) Compliance with special education laws, including 22 Pa. Code Ch. 711 (relating to charter school services and programs for children with disabilities).
(14) Compliance with laws concerning education English learners, including 22 Pa Code § 4.26 (relating to ESOL).
(15) Timely submission of annual report and audited financial statements.

(16) Mission and education program components as determined through site visits.

(c) The accountability matrix shall be designed to provide parents, guardians, families and educators accurate comparisons of school and student group performance.

(d) In developing the accountability matrix, the State board shall:

(1) Determine a minimum academic quality benchmark and the minimum fiscal management benchmark required to qualify a charter school to be considered by its authorizer for a ten (10) year renewal term pursuant to section 1720-A(a). An authorizer's determination to not grant a ten (10) year renewal term may not be appealed. The minimum academic quality benchmark and the minimum fiscal management benchmark shall be included in the regulations promulgated under this section.

(2) Determine the minimum academic quality benchmark and the minimum fiscal management benchmark required to qualify a charter school to be considered for consolidation in the formation of a multiple charter school organization pursuant to section 1729.1-A. The minimum academic quality benchmark and the minimum fiscal management benchmark shall be included in the regulations promulgated under this section.

(3) In addition to the causes for nonrenewal or termination set forth in section 1729-A, determine a profile of academic, fiscal management and other factors, the satisfaction of which will permit authorizers of a charter school or cyber charter school to issue a revocation or nonrenewal of the charter. An authorizer's determination to revoke or nonrenew the charter of
a charter school or cyber charter school based upon the profile
of academic performance, fiscal management and other factors may
not be appealed.

(e) In developing the accountability matrix, the State board
may:

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

(2) Utilize an existing database developed by the
department, including the Future Ready PA Index and Every
Student Succeeds Act State Report Card.

(f) The department shall review the accountability matrix
every five (5) years to ensure that the accountability matrix
properly measures school learning conditions and academic
performance and shall submit any recommendations in writing to
the State board, the Education Committee of the Senate and the
Education Committee of the House of Representatives. Recommended
revisions shall not take effect unless the General Assembly
enacts the revisions or the State board promulgates regulations
to adopt the revisions.

(g) The department shall utilize the standard accountability
matrix as the primary factor in evaluating renewal cyber charter
school applicants in annual monitoring and evaluation of cyber
charter schools and in evaluating consolidation applications
under section 1729.1-A. Nothing in this section shall prohibit a
school district from utilizing its own locally developed
accountability system in evaluating renewal charter school
applicants and in annual monitoring and evaluation of charter
schools and other authorizing activities.

(h) (1) In developing the accountability matrix and
promulgating the regulations required under this section, the
State board shall convene and consult with a Statewide advisory
committee which shall consist of representatives of the
department and a minimum of ten (10) representatives, including
five (5) representatives from charter schools, regional charter
schools and cyber charter schools and five (5) representatives
from school districts. Members of the committee shall be
selected to be representative of the urban, rural and suburban
areas of this Commonwealth.

(2) The Statewide advisory committee required to be convened
under clause (1) shall be convened not later than sixty (60)
days after the effective date of this section and shall meet
regularly to fulfill requirements of this subsection.

(i) The department shall annually publish the matrix data on
the department's publicly accessible Internet website.

and 1745-A of the act are amended to read:

Section 1732-A. Provisions Applicable to Charter Schools and
Multiple Charter School Organizations.--(a) Charter schools and
multiple charter school organizations shall be subject to the
following:

Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,
510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753, 755,
771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1301, 1310,
1317, 1317.1, 1317.2, 1318, 1326, 1327, 1327.2, 1329, 1330,
1332, 1333, 1333.1, 1333.2, 1333.3, 1341, 1342, 1343, 1344,
1345, 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
2552. Article XIII-A and Article XIV.

Act of July 17, 1961 (P.L.776, No.341), known as the
"Pennsylvania Fair Educational Opportunities Act."
Act of July 19, 1965 (P.L.215, No.116), entitled "An act providing for the use of eye protective devices by persons engaged in hazardous activities or exposed to known dangers in schools, colleges and universities."

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

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

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

(b) Charter schools and multiple charter school organizations shall be subject to the following provisions of 22 Pa. Code:

Chapter 4 (relating to academic standards and assessment).

Section 5.216 (relating to ESOL).

Section 5.4 (relating to general policies).

Chapter 11 (relating to pupil attendance).

Chapter 12 (relating to students).

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

Chapter 19 (relating to educator effectiveness rating tool).

Section 32.3 (relating to assurances).

Section 121.3 (relating to discrimination prohibited).
Section 235.4 (relating to practices).
Section 235.8 (relating to civil rights).
Section 339.31 (relating to plan).
Section 339.32 (relating to services).
Chapter 711 (relating to charter school services and programs for children with disabilities).

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

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

Section 1741-A. Powers and duties of department.

(a) Powers and duties.—The department shall:

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

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

(3) Revoke or deny renewal of a cyber charter school's charter under the provisions of section 1729-A.
(i) Notwithstanding the provisions of section 1729-A(i), when the department has revoked or denied renewal of a charter, the cyber charter school shall be dissolved. After the disposition of the liabilities and obligations of the cyber charter school, any remaining assets of the cyber charter school shall be given over to the intermediate unit in which the cyber charter school's administrative office was located for distribution to the school districts in which the students enrolled in the cyber charter school reside at the time of dissolution.

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

(A) a material component of the student's education as required under this subdivision is not being provided; or

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

(4) Execute charters after approval.

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

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

(c) Documents.--Documents of the appeal board shall be subject to the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

Section 1742-A. Assessment and evaluation.

The department shall:
(1) Annually assess whether each cyber charter school is meeting the goals of its charter and is in compliance with the provisions of the charter and conduct a comprehensive review prior to granting a five-year renewal of the charter.

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

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

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

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

(1) provide discounts to a school district or waive payments under section [1725-A] 1725.1-A for any student;

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

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

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

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

(1) A copy of the charter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(11) Information on:
    (i) The cyber charter school's professional staff,
        including the number of staff personnel, their education
        level and experience.
    (ii) The cyber charter school's performance on the
        PSSA and other standardized test scores.

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

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

(e) Students.--For each student enrolled, a cyber charter
school shall:
(1) provide all instructional materials;
(2) provide all equipment, including, but not limited
to, a computer, computer monitor and printer; and
(3) provide or reimburse for all technology and services
necessary for the on-line delivery of the curriculum and
instruction.

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

(f) Annual report.--A cyber charter school shall submit an
annual report no later than August 1 of each year to the
department in the form prescribed by the department. A copy of
the annual report submitted under this subsection shall also be
maintained at each facility of the cyber charter school and
shall be posted on the cyber charter school's publicly
accessible Internet website.

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

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

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

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

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

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

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

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

(4) Make payments to the cyber charter school under section [1725-A] 1725.1-A.

Section 1745-A. Establishment of cyber charter school.

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

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

(c) Attendance.--(1) Attendance at a cyber charter school shall satisfy requirements for compulsory attendance.

(2) Attendance shall be measured by the number of hours of documented coursework a student completes within a seven-day week. In order to satisfy the requirements for compulsory attendance, as provided in section 1715-A(9), an elementary student shall complete five hours of documented coursework, five days a week and a secondary student shall complete five and one-half hours of documented coursework, five days a week.

(3) For the purposes of this section, "documented coursework" shall consist of a combination of login time and independent work offline, the later of which may be self-
reported by the student or the student's parent or guardian.

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

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

(f) Evaluation criteria.--

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

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

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

(iii) The extent to which the programs outlined in the application will enable students to meet the academic standards under 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.
(iv) The extent to which the application meets the requirements of section 1747-A.

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

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

(3) Upon approval of a cyber charter school application, a written charter shall be developed which shall contain the provisions of the charter application and be signed by the secretary and each member of the board of trustees of the cyber charter school. The charter, when duly signed, shall act as legal authorization of the establishment of a cyber charter school. The charter shall be legally binding on the department, the cyber charter school and its board of trustees. The charter shall be for a period of no less than one (1) year and no more than three (3) years [nor more than five years] and may be renewed for a period of no less than one (1) year and no more than five (5) years by the department.

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

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

(h) Appeal.--If the department fails to hold the required
public hearing or to approve or disapprove the charter, the
applicant may file its application as an appeal to the appeal
board. The appeal board shall provide notice of the appeal to
the department and may allow the department to be heard on the
application. If the department fails to respond within 10 days,
the appeal board shall review the application and make a
decision to approve or disapprove the charter based on the
criteria in subsection (f). An appeal must be filed no later
than 30 days following the date by which the department was
required to act on the application in accordance with subsection
(e) or (g), as applicable, or the date of mailing of the written
notice issued under subsection (f)(2).

Section 17. The act is amended by adding a section to read:
Section 1745.1-A. Cyber charter amendments.
(a) Written proposal.—Except in cases of requests for
expedited consideration of a charter amendment request as
provided in subsection (h), a cyber charter school desiring to
amend a material term of its charter shall first submit a
written proposal outlining the proposed amendment to the
department. Within 60 days of submission of the written
proposal, the department shall provide a written response to the
cyber charter school identifying the form and scope of the
information necessary for review of the amendment request. At a
minimum, the scope of information to be submitted shall include
all that information required when submitting a new cyber
charter application as specifically relevant to the component of
the charter that the cyber charter school seeks to amend.
(b) Due date.—A cyber charter school shall submit a request
for an amendment to its charter in the form and containing the
information identified by the department under subsection (a) no
later than November 1 of the school year preceding the school
year in which the cyber charter school proposes to operate
pursuant to the proposed amendment.

c) Department review.--The department will review the cyber
charter school's amendment request based on the criteria in
section 1745-A(f).

d) Notice.--Within 60 days of receipt by the department of
a cyber charter school's charter amendment request, the
department shall publish public notice of the requested
amendment and accept the submission of public comments for at
least 30 days. In addition to publishing public notice, the
department may hold a public hearing on the provisions of the
charter amendment request under 65 Pa.C.S. Ch. 7 (relating to
open meetings).

e) Determination.--Within 180 days of the receipt by the
department of the charter amendment request, the department
shall grant or deny the request. Written notice of the
department's action shall be sent to the cyber charter school.

f) Amendment request granted.--If the amendment request is
granted, the cyber charter school's written charter shall be
supplemented or amended, as appropriate, to contain the
provisions of the amendment request, and the amended charter
shall be signed by the secretary and each member of the charter
school's board of trustees. The amended charter, when duly
signed, acts as legal authorization of the operation of the
cyber charter school in accordance with the amended charter. The
amended charter is legally binding on the department and the
cyber charter school and its board of trustees. The amended
charter shall be effective for the remainder of the term of the
charter as was applicable prior to the amendment.
(g) Amendment request denied.—If the amendment request is denied, the reasons for the denial, including a description of deficiencies in the amendment request, shall be clearly stated in the written notice sent by the department to the cyber charter school. An amendment denied pursuant to this section may not be appealed. The decision to deny the request shall not preclude the cyber charter school from revising and resubmitting a request for a charter amendment in the future in accordance with the procedures set forth in this section to address any deficiencies in the previous request as identified by the department in its written notice denying the amendment request.

(h) Expedited review.

(1) In the event a cyber charter school requires an expedited review of a charter amendment request, the cyber charter school shall first immediately submit to the department a request for an expedited review that includes:

   (i) a statement that a cyber charter school is seeking expedited review of a charter amendment request;

   (ii) a written proposal outlining the amendment request; and

   (iii) the reasons justifying the request for an expedited review.

(2) The department shall provide a written response to the request for an expedited review that confirms whether an expedited review will be conducted and, if so, the information that must be submitted by the cyber charter school for the department's review of the request. If the department does not agree that an expedited review is necessary, the cyber charter school shall submit its request pursuant to the procedures outlined in subsection (a). The
determination to not grant an expedited review of the proposed charter amendment request shall not be appealable.

Section 18. Sections 1746-A, 1747-A and 1748-A of the act are amended to read:

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

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

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

(b) Procedure.—The appeal board shall:

(1) Review the decision made by the department under subsection (a) on the record as certified by the department. The secretary shall recuse himself from all cyber charter school appeals and shall not participate in a hearing, deliberation or vote on a cyber charter school appeal. The appeal board may allow the department, the cyber charter school applicant or the board of trustees of a cyber charter school to supplement the record if the supplemental information was previously unavailable.
(2) Meet to officially review the certified record no later than 30 days after the date of filing the appeal.
(3) Issue a written decision affirming or denying the appeal no later than 60 days following its review.
(4) In the case of a decision by the department to deny a cyber charter application, make its decision based on [section 1745-A(f)(1). A decision by the appeal board to
reverse the decision of the department and grant a charter
shall serve as a requirement for the secretary to sign the
written charter of the cyber charter school.] whether the
department's decision was arbitrary and capricious. If the
appeal board finds the department's decision to deny the
cyber charter school application to be arbitrary and
capricious, the appeal board shall reverse the decision of
the department, grant the cyber charter and require the
secretary to sign the written charter of the cyber charter
school. The appeal board shall specify its findings in a
written decision.

(5) In the case of a decision by the department to
revoke or deny renewal of a cyber school charter in
accordance with section 1741-A(a)(3), make its decision based
on [section 1729-A(a). A decision of the appeal board to
reverse the decision of the department to not revoke or deny
renewal of a charter shall serve as a requirement of the
department to not revoke or to not deny renewal of the
charter of the cyber charter school.] whether the
department's decision was arbitrary and capricious. If the
appeal board finds the department's decision to revoke or
deny renewal of a cyber school charter to arbitrary and
capricious, the appeal board shall reverse the decision of
the department and require the department to not revoke or
deny renewal of the charter of the cyber charter school. The
appeal board shall specify its findings in a written
decision. If the appeal board determines that the charter
should be revoked or not renewed, the charter shall remain in
effect until the end of the school year or another time as
the appeal board directs.
Stay.--If the department appeals the decision of the appeal board, the appeal board's decision shall be stayed only upon order of the appeal board, the Commonwealth Court or the Pennsylvania Supreme Court.

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

Section 1747-A. Cyber charter school application.

In addition to the provisions of section 1719-A, an application to establish a cyber charter school shall also include the following:

(1) The curriculum to be offered and how it meets the requirements of 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.

(2) The number of courses required for elementary and secondary students.

(3) An explanation of the amount of on-line time required for elementary and secondary students.

(4) The manner in which teachers will deliver instruction, assess academic progress and communicate with students to provide assistance.

(5) A specific explanation of any cooperative learning opportunities, meetings with students, parents and guardians, field trips or study sessions.

(6) The technology, including types of hardware and software, equipment and other materials which will be provided by the cyber charter school to the student.

(7) A description of how the cyber charter school will define and monitor a student's school day, including the delineation of [on-line] login time and [off-line time]
independent coursework.

(8) A description of commercially prepared standardized achievement tests that will be used by the cyber charter school in addition to the Pennsylvania System of School Assessment test, including the grade levels that will be tested and how the data collected from the tests will be used to improve instruction.

(9) The technical support that will be available to students and parents or guardians.

(10) The privacy and security measures to ensure the confidentiality of data gathered online.

(11) The level of anticipated enrollment during each school year of the proposed charter, including expected increases due to the addition of grade levels.

(12) The methods to be used to insure the authenticity of student work and adequate proctoring of examinations.

(13) The provision of education and related services to students with disabilities, including evaluation and the development and revision of individualized education programs.

(14) Policies regarding truancy, absences and withdrawal of students, including the manner in which the cyber charter school will monitor and enforce attendance consistent with the provisions of section 1715-A(9).

(15) The types and frequency of communication between the cyber charter school and the student and the manner in which the cyber charter school will communicate with parents and guardians.

(16) The addresses of all facilities and offices of the cyber charter school, the ownership thereof and any lease
arrangements.

Section 1748-A. Enrollment and notification.

(a) Notice to school district.--

(1) Within 15 days of the enrollment of a student to a cyber charter school, the parent or guardian and the cyber charter school shall notify the student's school district of residence of the enrollment through the use of the notification form under subsection (b).

(2) If a school district which has received notice under paragraph (1) determines that a student is not a resident of the school district, the following apply:

(i) Within seven days of receipt of the notice under paragraph (1), the school district shall notify the cyber charter school and the department that the student is not a resident of the school district. Notification of nonresidence shall include the basis for the determination.

(ii) Within seven days of notification under subparagraph (i), the cyber charter school shall review the notification of nonresidence, respond to the school district and provide a copy of the response to the department. If the cyber charter school agrees that a student is not a resident of the school district, it shall determine the proper district of residence of the student before requesting funds from another school district.

(iii) Within seven days of receipt of the response under subparagraph (ii), the school district shall notify the cyber charter school that it agrees with the cyber charter school's determination or does not agree with the
cyber charter school's determination.

(iv) A school district that has notified the cyber charter school that it does not agree with the cyber charter school's determination under subparagraph (iii) shall appeal to the department for a final determination.

(v) All decisions of the department regarding the school district of residence of a student shall be subject to review by the Commonwealth Court.

(vi) A school district shall continue to make payments to a cyber charter school under section [1725-A] 1725.1-A during the time in which the school district of residence of a student is in dispute.

(vii) If a final determination is made that a student is not a resident of an appealing school district, the cyber charter school shall return all funds provided on behalf of that student to the school district within 30 days.

[(b) Notification form.--The department shall develop a notification form for use under subsection (a). The notification shall include:

(1) The name, home address and mailing address of the student.

(2) The grade in which the student is being enrolled.

(3) The date the student will be enrolled.

(4) The name and address of the cyber charter school and the name and telephone number of a contact person able to provide information regarding the cyber charter school.

(5) The signature of the parent or guardian and an authorized representative of the cyber charter school.]

(b.1) Enrollment form.--
(1) The department shall develop a standard enrollment form that all eligible applicants shall use to apply to a cyber charter school. The standard enrollment form shall only request information necessary to allow the cyber charter school to identify the student, grade level and residency, including:

(i) The student's name, address of residence, resident school district, telephone number, age, birth date and current grade level.

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

(iii) The date the student will be enrolled.

(iv) A space for the cyber charter school to include the name of the cyber charter school and the name, telephone number and e-mail address of a contact person at the cyber charter school.

(v) The signature of the parent or guardian and an authorized representative of the cyber charter school.

(2) The standard enrollment form shall be made physically available at the administrative office of the cyber charter school, in a form that complies with Federal and State law, and posted on the publicly accessible Internet website of the cyber charter school. The cyber charter school may accept the enrollment form via paper or electronic means.

(3) A cyber charter school shall maintain and make available in paper and electronic format the enrollment forms developed by the department under this subsection in the languages spoken by 0.005% or more of the Statewide public school enrollment. The cyber charter school shall ensure that
the forms are translated by a service approved by the department.

(4) A cyber charter school shall not require or request information beyond the contents of the standard enrollment form developed by the department.

(5) Nothing in this section shall prohibit a cyber charter school from requesting the submission of additional records and information that public schools are entitled to receive after a student is accepted for admission to, and has indicated an intent to enroll in, the cyber charter school.

(6) As used in this subsection, the following words and phrases shall have the meanings given to them in this paragraph unless the context clearly indicates otherwise:

"Eligible applicant." A student who is seeking to enter a grade level offered by the cyber charter school and student residency requirements.

(c) Withdrawal.--The cyber charter school and the parent or guardian of a student enrolled in a cyber charter school shall provide written notification to the student's school district of residence within 15 days following the withdrawal of a student from the cyber charter school. The cyber charter school shall also notify the department within 15 days of the withdrawal of the student from the cyber charter school.

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

Section 1748.1-A. Enrollment parameters.

(a) General rule.--Enrollment of students in a cyber charter school shall not be subject to a cap or enrollment parameter unless agreed to by the cyber charter school as part of a written charter pursuant to section 1745-A.

(b) Limitation.--Notwithstanding subsection (a), a cyber
charter school designated as a Comprehensive Support and Improvement school under the Every Student Succeeds Act (Public Law 114-95, 129 Stat. 1802) or an equivalent building level designation under its successor Federal statute shall not be eligible to expand its enrollment beyond the enrollment as reported by the cyber charter school on the date on which it was designated unless otherwise agreed to by the department. This limitation shall remain in place until the cyber charter school exits the designation.

Section 20. Section 1749-A of the act is amended to read:
Section 1749-A. Applicability of other provisions of this act and of other acts and regulations.
(a) General requirements.—Cyber charter schools shall be subject to the following:
(2) The act of July 17, 1961 (P.L.776, No.341), known as the Pennsylvania Fair Educational Opportunities Act.
(3) The act of July 19, 1965 (P.L.215, No.116), entitled "An act providing for the use of eye protective devices by persons engaged in hazardous activities or exposed to known
dangers in schools, colleges and universities."

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

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

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

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

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

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

(3) Chapter 12 (relating to students).

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

(3.2) Chapter 19 (relating to educator effectiveness
rating tool).

(4) Section 32.3 (relating to assurances).

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

(6) Section 235.4 (relating to practices).

(7) Section 235.8 (relating to civil rights).
(7.1) Section 339.31 (relating to plan).

(7.2) Section 339.32 (relating to services).

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

(c) Existing charter schools.--

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

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

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

(ii) Section 1744-A.

(iii) Section 1748-A.

Section 21. The act is amended by adding a section to read:

Section 1752-A. Cyber charter school moratorium.

Beginning July 1, 2020, and continuing for 10 years thereafter, the department shall not accept or act upon any applications for the establishment of a new cyber charter school.

Section 22. Section 2574.3 of the act is amended by adding a subsection to read:

Section 2574.3. Approved Reimbursable Annual Rental for Leases of Buildings or Portions of Buildings for Charter School Use.--* * *

(c) Beginning with school year 2020-2021 and continuing each
school year thereafter, a charter school shall not be eligible to receive payments from the Commonwealth under this section under a lease between a charter school entity and a charter school foundation, educational management service provider or another charter school entity. For purposes of this subsection, the terms "charter school" and "charter school entity" shall have the meanings provided in section 1703-A.

Section 23. For agreements or contracts between educational management service providers and charter school entities, this act shall apply to any agreement or contract under section 1716.1-A entered into or amended on or after the effective date of this section.

Section 24. This act shall take effect immediately.