

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 618 Session of 2013

INTRODUCED BY EMRICK, BENNINGHOFF, R. BROWN, CARROLL, CAUSER, CLYMER, COHEN, D. COSTA, CUTLER, DAVIDSON, DENLINGER, DUNBAR, EVANKOVICH, EVERETT, FLECK, FREEMAN, GILLEN, GINGRICH, GOODMAN, GROVE, HALUSKA, HICKERNELL, KORTZ, KRIEGER, MACKENZIE, MASSER, MATZIE, MILLARD, R. MILLER, MUNDY, MURT, O'NEILL, PEIFER, PETRI, PICKETT, REED, ROCK, SAYLOR, STERN, TALLMAN, TOBASH, TOEPEL, MOUL, MULLERY, SWANGER AND HELM, FEBRUARY 8, 2013

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, SEPTEMBER 24, 2013

AN ACT

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

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

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

16 Section 1525. Agreements with Institutions of Higher
17 Education.--Notwithstanding any other provision of law to the

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

14 Section 2. The definitions of "concurrent student" and  
15 "school entity" in section 1602-B of the act, added July 13,  
16 2005 (P.L.226, No.46), are amended to read:

17 Section 1602-B. Definitions.

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

21 \* \* \*

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

28 \* \* \*

29 "School entity." A school district, a charter school, a  
30 regional charter school, a cyber charter school or an area

1 vocational-technical school.

2 \* \* \*

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

5 Section 1613-B. Concurrent enrollment agreements.

6 \* \* \*

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

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

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

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

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

27 "Assessment" shall mean the Pennsylvania System of School  
28 Assessment test, the Keystone Exam or another test established  
29 by the State board to meet the requirements of section 2603-  
30 B(d)(10)(i) and required under the No Child Left Behind Act of

1 2001 (Public Law 107-110, 115 Stat. 1425) or its successor  
2 Federal statute.

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

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

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

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

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

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

29 "Cyber charter school" shall mean an independent public  
30 school established and operated under a charter from the

1 Department of Education and in which the school uses technology  
2 in order to provide a significant portion of its curriculum and  
3 to deliver a significant portion of instruction to its students  
4 through the Internet or other electronic means. A cyber charter  
5 school must be organized as a public, nonprofit corporation. A  
6 charter may not be granted to a for-profit entity.

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

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

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

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

23 "Nonrelated" shall mean an individual who is not an immediate  
24 family member.

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

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

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

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

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

12 Section 4.1. The act is amended by adding a section to read:

13 Section 1704-A. Charter School Funding Advisory

14 Commission.--(1) The Governor shall immediately convene a  
15 Statewide advisory commission, to be known as the Charter School  
16 Funding Advisory Commission, to examine the financing of charter  
17 schools, regional charter schools and cyber charter schools in  
18 the public education system. The commission shall examine how  
19 charter school, regional charter school and cyber charter school  
20 finances affect opportunities for teachers, parents, pupils and  
21 community members to establish and maintain schools that operate  
22 independently from the existing school district structure as a  
23 method to accomplish the requirements of section 1702-A. The  
24 Office of the Budget and the department shall provide  
25 administrative support, meeting space and any other assistance  
26 required by the commission to carry out its duties under this  
27 section.

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

29 (i) ~~Three~~ FOUR members of the Senate appointed by the  
30 President pro tempore of the Senate, in consultation with the

<--

1 Majority Leader of the Senate and the Minority Leader of the  
2 Senate, with two appointees from the majority party and ~~one~~ <--  
3 ~~appointee~~ TWO APPOINTEES from the minority party. <--

4 (ii) ~~Three~~ FOUR members of the House of Representatives <--  
5 appointed by the Speaker of the House of Representatives, in  
6 consultation with the Majority Leader of the House of  
7 Representatives and the Minority Leader of the House of  
8 Representatives, with two appointees from the majority party and  
9 ~~one appointee~~ TWO APPOINTEES from the minority party. <--

10 (iii) The secretary or a designee.

11 (iv) To represent the interests of charter school entities,  
12 the following members, who shall be appointed by the Governor:

13 (A) One member who shall represent charter schools.

14 (B) One member who shall represent regional charter schools.

15 (C) One member who shall represent cyber charter schools.

16 (D) One member who shall be a teacher in a charter school  
17 entity.

18 (E) One member who shall be a parent of a child attending a  
19 charter school entity.

20 (v) To represent the interests of school districts, the  
21 following members, who shall be appointed by the Governor:

22 (A) One member who shall be a teacher in a public school  
23 that is not a charter school entity.

24 (B) One member who shall represent school administrators.

25 (C) Two members who shall represent school board members.

26 (D) One member who shall be a business manager of a school  
27 district.

28 (vi) One member who shall represent an institution of higher  
29 education and who shall be appointed by the Governor.

30 (3) Members of the commission shall be appointed within

1 twenty (20) days of the effective date of this section. Any  
2 vacancy on the commission shall be filled by the original  
3 appointing authority. The commission shall select a chairman and  
4 vice chairman from among its membership at an organizational  
5 meeting. The organizational meeting shall take place not later  
6 than forty-five (45) days following the effective date of this  
7 section.

8 (4) The commission shall hold meetings at the call of the  
9 chairman. The commission may also hold public hearings on the  
10 matters to be considered by the commission at locations  
11 throughout this Commonwealth. All meetings and public hearings  
12 of the commission shall be deemed public meetings for the  
13 purpose of 65 Pa.C.S. Ch. 7 (relating to open meetings). Ten  
14 (10) members of the commission shall constitute a quorum at any  
15 meeting. Each member of the commission may designate another  
16 person to represent that member at meetings of the commission.

17 (5) Commission members shall receive no compensation for  
18 their services but shall be reimbursed by the department for all  
19 necessary travel and other reasonable expenses incurred in  
20 connection with the performance of their duties as members.  
21 Whenever possible, the commission shall utilize the services and  
22 expertise of existing personnel and staff of State government.  
23 The department may utilize undistributed funds not expended,  
24 encumbered or committed from appropriations for grants and  
25 subsidies made to the department, not to exceed three hundred  
26 thousand dollars (\$300,000), to carry out this section.

27 (6) The commission shall have the following powers and  
28 duties:

29 (i) Meet with current charter school entity operators,  
30 school district personnel and representatives of institutions of

1 higher education within this Commonwealth.

2 (ii) Review charter school entity financing laws in  
3 operation throughout the United States.

4 (iii) Explore the actual cost of educating a child in a  
5 cyber charter school.

6 (iv) Evaluate and make recommendations on the following:

7 (A) Consideration of establishing a higher education  
8 authorizer of charter school entities.

9 (A.1) CONSIDERATION OF ESTABLISHING AN INDEPENDENT STATE <--  
10 LEVEL BOARD TO AUTHORIZE CHARTER SCHOOL ENTITIES AND SUPPORT  
11 CHARTER SCHOOL QUALITY AND ACCOUNTABILITY THROUGH PERFORMANCE  
12 MONITORING AND TECHNICAL ASSISTANCE.

13 (B) Appropriate assessment of fees on charter school  
14 entities for potentially funding a higher education authorizer  
15 of charter school entities, including review of independent  
16 authorizer fees and structures throughout the United States.

17 (C) The process by which charter school entities are funded  
18 under section 1725-A, including the continuation of school  
19 district deductions for food services and for retirement  
20 contributions paid to the Public School Employees' Retirement  
21 System and addressing other potential funding inequities.

22 (v) Issue a report pursuant to paragraph (7).

23 (7) The commission shall, no later than March 31, 2014,  
24 issue a report of its findings and recommendations to the  
25 Governor, the President pro tempore of the Senate, the Majority  
26 Leader of the Senate, the Minority Leader of the Senate, the  
27 chairman and minority chairman of the Appropriations Committee  
28 of the Senate, the chairman and minority chairman of the  
29 Education Committee of the Senate, the Speaker of the House of  
30 Representatives, the Majority Leader of the House of

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

9 Section 5. Section 1715-A of the act, amended or added June  
10 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846, No.61), is  
11 amended to read:

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

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

22 (2) A charter school entity shall be accountable to the  
23 parents, the public and the Commonwealth, with the delineation  
24 of that accountability reflected in the charter. Strategies for  
25 meaningful parent and community involvement shall be developed  
26 and implemented by each school.

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

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

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

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

7       (A) if the charter school entity provides for discrete and  
8 separate entrances to buildings utilized for school purposes  
9 only;

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

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

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

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

21       (7.1) A cyber charter school shall only be subject to the  
22 laws and regulations as provided for in section 1749-A, or as  
23 otherwise provided for in this act.

24       (8) A charter school entity shall participate in [the  
25 Pennsylvania State Assessment System as provided for in 22 Pa.  
26 Code Ch. 5 (relating to curriculum), or subsequent regulations  
27 promulgated to replace 22 Pa. Code Ch. 5,] assessments in the  
28 manner in which the school district in which the charter school  
29 entity is located is scheduled to participate.

30       (9) A charter school entity shall provide a minimum of one

1 hundred eighty (180) days of instruction or nine hundred (900)  
2 hours per year of instruction at the elementary level, or nine  
3 hundred ninety (990) hours per year of instruction at the  
4 secondary level. Nothing in this clause shall preclude the use  
5 of computer and satellite linkages for delivering instruction to  
6 students.

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

11 (i) The following provisions of this act:

12 (A) Sections 751 and 751.1.

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

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

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

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

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

24 (11) Trustees of a charter school entity shall be public  
25 officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to  
26 ethics standards and financial disclosure) and shall file a  
27 statement of financial interests for the preceding calendar year  
28 with the State Ethics Commission and either the local board of  
29 school directors in the case of a charter school or regional  
30 charter school, or the department in the case of a cyber charter

1 school, not later than May 1 of each year that members hold the  
2 position and of the year after a member leaves the position. All  
3 members of the board of trustees of a charter school entity  
4 shall take the oath of office as required under section 321  
5 before entering upon the duties of their office.

6 [(12) A person who serves as an administrator for a charter  
7 school shall not receive compensation from another charter  
8 school or from a company that provides management or other  
9 services to another charter school. The term "administrator"  
10 shall include the chief executive officer of a charter school  
11 and all other employees of a charter school who by virtue of  
12 their positions exercise management or operational oversight  
13 responsibilities. A person who serves as an administrator for a  
14 charter school shall be a public official under 65 Pa.C.S. Ch.  
15 11 (relating to ethics standards and financial disclosure). A  
16 violation of this clause shall constitute a violation of 65  
17 Pa.C.S. § 1103(a) (relating to restricted activities), and the  
18 violator shall be subject to the penalties imposed under the  
19 jurisdiction of the State Ethics Commission.]

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (b.1) (1) For a charter school or regional charter school  
8 chartered after the effective date of this subsection, an  
9 individual shall be prohibited from serving as a voting member  
10 of the board of trustees of the charter school or regional  
11 charter school if the individual or an immediate family member  
12 receives compensation from or is employed by or is a member of  
13 the local board of school directors who participated in the  
14 initial review, approval, oversight, evaluation or renewal  
15 process of the charter school or regional charter school  
16 chartered by that board.

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

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

26 (2) Any member of the board of trustees of a charter school  
27 entity who in the discharge of the person's official duties  
28 would be required to vote on a matter that would result in a  
29 conflict of interest shall abstain from voting and follow the  
30 procedures required under 65 Pa.C.S. § 1103(j) (relating to

1 restricted activities).

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

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

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

12 (b.3) A member of the board of trustees of a charter school  
13 entity shall be automatically disqualified and immediately  
14 removed from the board of trustees upon conviction for an  
15 offense graded as a felony, an infamous crime, an offense  
16 pertaining to fraud, theft or mismanagement of public funds, any  
17 offense pertaining to his official capacity as a member of the  
18 board of trustees or any crime involving moral turpitude.

19 (c) The board of trustees shall comply with [the act of July  
20 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65  
21 Pa.C.S. Ch. 7 (relating to open meetings).

22 (d) (1) (i) The board of trustees of a charter school  
23 entity shall consist of a minimum of five (5) nonrelated voting  
24 members.

25 (ii) If a charter school entity has fewer than five (5)  
26 nonrelated voting members serving on its board of trustees on  
27 the effective date of this subsection, the charter school entity  
28 shall, within sixty (60) days, appoint additional members to the  
29 board of trustees to meet the minimum requirements of this  
30 section.

1 (2) Within one (1) year of the effective date of this  
2 subsection, at least one member of the board of trustees of a  
3 charter school entity shall be a parent of a child currently  
4 attending the charter school entity. The board of trustees  
5 member required by this paragraph shall be eligible to serve  
6 only so long as the child attends the charter school entity.

7 (e) (1) A majority of the voting members of the board of  
8 trustees shall constitute a quorum. If less than a majority is  
9 present at any meeting, no business may be transacted at the  
10 meeting.

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

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

16 Section 1716.1-A. Payment of Indebtedness by Charter School  
17 Entities.--(a) The board of trustees of a charter school entity  
18 shall supply the secretary and, in the case of a charter school  
19 or regional charter school, the local board of school directors  
20 a list of the amount of rental payments which are guarantees for  
21 school building debt or bonds that become due during the fiscal  
22 year together with the amount paid on each item of indebtedness.  
23 Any charter school entity that elects to issue debt shall hold  
24 in escrow an amount sufficient to pay the annual amount of the  
25 sum of the principal maturing or subject to mandatory redemption  
26 and interest owing by the charter school entity or sinking fund  
27 deposit due by the charter school entity.

28 (b) (1) In any case where the board of trustees of a  
29 charter school entity fails to pay or to provide for the payment  
30 of:

1 (i) any indebtedness at date of maturity or date of  
2 mandatory redemption or on any sinking fund deposit date; or  
3 (ii) any interest due on such indebtedness on any interest  
4 payment date or on any sinking fund deposit date in accordance  
5 with the schedule under which the bonds were issued,  
6 the bank or trustee for the bonds shall notify the board of  
7 trustees of its obligation and shall immediately notify the  
8 secretary and, in the case of a charter school or regional  
9 charter school, the local board of school directors.

10 (2) The secretary shall withhold any payment due the charter  
11 school entity in any amount necessary to fully fund the amount  
12 held in escrow by the charter school entity which shall be equal  
13 to the sum of the principal amount maturing or subject to  
14 mandatory redemption and interest owing by the charter school  
15 entity or sinking fund deposit due by the charter school entity  
16 and shall require payover of the amount withheld to the bank or  
17 trustee acting as the sinking fund depository for the bond issue  
18 from the escrow account.

19 Section 8. ~~Sections 1717 A(c), (d), (e) and (f) and 1719 A~~ <--  
20 ~~of the act, added June 19, 1997 (P.L.225, No.22), are amended to~~  
21 ~~read:~~ SECTION 1717-A(C), (D), (E) AND (F) OF THE ACT, ADDED JUNE <--  
22 19, 1997 (P.L.225, NO.22), ARE AMENDED AND THE SECTION IS  
23 AMENDED BY ADDING SUBSECTIONS TO READ:

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

25 (c) An application to establish a charter school shall be  
26 submitted to the local board of school directors of the district  
27 where the charter school will be located by [November 15]  
28 October 1 of the school year preceding the school year in which  
29 the charter school will be established except that for a charter  
30 school beginning in the 1997-1998 school year, an application

1 must be received by July 15, 1997. In the 1997-1998 school year  
2 only, applications shall be limited to recipients of fiscal year  
3 1996-1997 Department of Education charter school planning  
4 grants.

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

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

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

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

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

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

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

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

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

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

26 (f) At the option of the charter school applicant, a denied  
27 application may be revised and resubmitted to the local board of  
28 school directors. Following the appointment and confirmation of  
29 the Charter School Appeal Board under section 1721-A, the  
30 decision of the local board of school directors may be appealed

1 to the appeal board. When an application is revised and  
2 resubmitted to the local board of school directors, the board  
3 may schedule additional public hearings on the revised  
4 application. The board shall consider the revised and  
5 resubmitted application at the first board meeting occurring at  
6 least forty-five (45) days after receipt of the revised  
7 application by the board. For a revised application resubmitted  
8 for the 1997-1998 school year, the board shall consider the  
9 application at the first board meeting occurring at least thirty  
10 (30) days after its receipt. The board shall provide notice of  
11 consideration of the revised application under [the "Sunshine  
12 Act."] 65 Pa.C.S. Ch. 7. No appeal from a decision of a local  
13 school board may be taken until July 1, 1999.

14 \* \* \*

15 (J) NOTWITHSTANDING THE PROVISIONS OF SECTION 696(I) OR ANY <--  
16 OTHER PROVISION OF LAW TO THE CONTRARY, A SCHOOL REFORM  
17 COMMISSION CONSIDERING AN APPLICATION TO ESTABLISH A CHARTER  
18 SCHOOL IN A SCHOOL DISTRICT OF THE FIRST CLASS SHALL COMPLY WITH  
19 SUBSECTION (E) (5).

20 (K) NOTWITHSTANDING THE PROVISIONS OF SECTION 696(I) OR ANY  
21 OTHER PROVISION OF LAW TO THE CONTRARY, A CHARTER SCHOOL  
22 APPLICANT MAY APPEAL A DECISION OF A SCHOOL REFORM COMMISSION TO  
23 DENY AN APPLICATION TO ESTABLISH A CHARTER SCHOOL IN A SCHOOL  
24 DISTRICT OF THE FIRST CLASS TO THE CHARTER SCHOOL APPEAL BOARD.  
25 SUBSECTIONS (G), (H) AND (I) SHALL APPLY TO AN APPEAL UNDER THIS  
26 SUBSECTION.

27 SECTION 8.1. SECTION 1719-A OF THE ACT, ADDED JUNE 19, 1997  
28 (P.L.225, NO.22), IS AMENDED TO READ:

29 Section 1719-A. Contents of Application.--[An] (a) The  
30 department shall create a standard application form for charter

1 school applicants seeking to establish a charter school entity  
2 and for existing charter school entities seeking renewal of  
3 their charters. The form shall be published in the Pennsylvania  
4 Bulletin and posted on the department's publicly accessible  
5 Internet website. The form shall include all of the following  
6 information:

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

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

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

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

18 (4.1) A clear description of the roles and responsibilities  
19 of the board of trustees, administrators and any other entities,  
20 including a charter school foundation, shown in the organization  
21 chart.

22 (4.2) A clear description of the method for the appointment  
23 or election of members of the board of trustees.

24 (4.3) Standards for board of trustees performance, including  
25 compliance with all applicable laws, regulations and terms of  
26 the charter.

27 (4.4) If the charter school entity intends to contract with  
28 an educational management service provider for services, all of  
29 the following:

30 (i) Evidence of the educational management service

1 provider's record in serving student populations, including  
2 demonstrated academic achievement and demonstrated management of  
3 nonacademic school functions, including proficiency with public  
4 school-based accounting, if applicable.

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

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

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

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

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

13 (E) Performance evaluation measures and timelines.

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

17 (G) Methods of contract oversight and enforcement.

18 (H) Investment disclosure or the advance of moneys by the  
19 educational management service provider on behalf of the charter  
20 school entity.

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

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

29 (5) The mission and education goals of the charter school  
30 entity, the curriculum to be offered and the methods of

1 assessing whether students are meeting educational goals.

2 (6) The admission policy and criteria for evaluating the  
3 admission of students which shall comply with the requirements  
4 of section 1723-A.

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

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

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

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

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

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

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

26 (14) Whether any agreements have been entered into or plans  
27 developed with the local school district regarding participation  
28 of the charter school entity's students in extracurricular  
29 activities within the school district. Notwithstanding any  
30 provision to the contrary, no school district of residence shall

1 prohibit a student of a charter school entity from participating  
2 in any extracurricular activity of that school district of  
3 residence: Provided, That the student is able to fulfill all of  
4 the requirements of participation in such activity and the  
5 charter school entity does not provide the same extracurricular  
6 activity.

7 (15) A report of criminal history record, pursuant to  
8 section 111, for all individuals identified in the application  
9 who shall have direct contact with students and a plan for  
10 satisfying the proper criminal history record clearances  
11 required for all other staff.

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

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

23 (18) Policies regarding truancy, absences and withdrawal of  
24 students, including the manner in which the charter school  
25 entity will monitor attendance consistent with section 1715-A(a)  
26 (9). The charter school entity's policy shall establish, to the  
27 satisfaction of the local board of school directors or, in the  
28 case of a cyber charter school, to the satisfaction of the  
29 department, that the charter school entity will comply with  
30 sections 1332 and 1333, including the institution of truancy

1 proceedings when required under section 1333.

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

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

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

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

18 Section 1720-A. Term and Form of Charter.--(a) (1) Upon  
19 approval of a charter application under section 1717-A, a  
20 written charter shall be developed which shall contain the  
21 provisions of the standardized charter application under section  
22 1719-A and which shall be signed by the local board of school  
23 directors of a school district, by the local boards of school  
24 directors of a school district in the case of a regional charter  
25 school or by the chairman of the appeal board pursuant to  
26 section [1717-A(i)(5)] 1717-A(i)(9) and the board of trustees of  
27 the charter school or regional charter school. This written  
28 charter, when duly signed by the local board of school directors  
29 of a school district, [or] by the local boards of school  
30 directors of a school district in the case of a regional charter

1 school or by the chairman of the appeal board, and the charter  
2 school or regional charter school's board of trustees, shall act  
3 as legal authorization for the establishment of a charter school  
4 or regional charter school. This written charter shall be  
5 legally binding on both the local board of school directors of a  
6 school district and the charter school or regional charter  
7 school's board of trustees. [Except as otherwise provided in  
8 subsection (b), the charter shall be for a period of no less  
9 than three (3) nor more than five (5) years and may be renewed  
10 for five (5) year periods upon reauthorization by the local  
11 board of school directors of a school district or the appeal  
12 board.] If the charter school or regional charter school  
13 contracts with an educational management service provider, a  
14 contract shall be executed once the charter is approved. A  
15 charter will be granted only for a school organized as a public,  
16 nonprofit corporation.

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

19 (i) An initial charter executed pursuant to section  
20 1720-A(a)(1) shall be for a period of five (5) years.

21 (ii) Prior to the effective date of the regulations  
22 implementing the performance matrix as required pursuant to  
23 section 1731.2-A, a charter may be renewed for five (5) year  
24 periods upon reauthorization by the local board of school  
25 directors or other governing body of a school district or the  
26 appeal board.

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

30 (A) For charter schools and regional charter schools that

1 have satisfied the academic quality benchmark established by the  
2 State Board of Education pursuant to section 1731.2-A, a charter  
3 may be renewed for ten (10) year periods upon reauthorization by  
4 the local board of school directors or other governing body of a  
5 school district or the appeal board.

6 (B) For charter schools and regional charter schools that  
7 have not satisfied the academic quality benchmark established by  
8 the State Board of Education pursuant to section 1731.2-A, a  
9 charter may be renewed for five (5) year periods upon  
10 reauthorization by the local board of school directors or other  
11 governing body of a school district or the appeal board.

12 [(b) (1) Notwithstanding subsection (a), a governing board  
13 of a school district of the first class may renew a charter for  
14 a period of one (1) year if the board of school directors  
15 determines that there is insufficient data concerning the  
16 charter school's academic performance to adequately assess that  
17 performance and determines that an additional year of  
18 performance data would yield sufficient data to assist the  
19 governing board in its decision whether to renew the charter for  
20 a period of five (5) years.

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

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

27 (c) (1) A charter school or regional charter school may  
28 request amendments to its approved written charter by filing a  
29 written document describing the requested amendment with the  
30 local board of school directors.

1     (2) Within twenty (20) days of its receipt of the request  
2 for an amendment, the local board of school directors shall hold  
3 a public hearing on the requested amendment under 65 Pa.C.S. Ch.  
4 7 (relating to open meetings).

5     (3) Within twenty (20) days after the hearing, the local  
6 board of school directors shall grant or deny the requested  
7 amendment. Failure by the local board of school directors to  
8 hold a public hearing and to grant or deny the amendment within  
9 the time period specified in this subsection shall be deemed an  
10 approval.

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

14     Section 10. Section 1721-A(a) and (e) of the act, added June  
15 19, 1997 (P.L.225, No.22), are amended to read:

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

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

26     (2) A school board member.

27     (3) A certified teacher actively employed in a public  
28 school.

29     (4) A faculty member or administrative employe of an  
30 institution of higher education.

- 1 (5) A member of the business community.  
2 (6) A member of the State Board of Education.  
3 (7) An administrator of a charter school entity.  
4 (8) A member of the board of trustees of a charter school  
5 entity.

6 The term of office of members of the appeal board, other than  
7 the secretary, shall be for a period of four (4) years or until  
8 a successor is appointed and qualified, except that, of the  
9 initial appointees, the Governor shall designate two (2) members  
10 to serve terms of two (2) years, two (2) members to serve terms  
11 of three (3) years and two (2) members to serve terms of four  
12 (4) years. A parent member appointed under paragraph (1) shall  
13 serve a term of four (4) years, provided the member's child  
14 remains enrolled in the charter school entity. Any appointment  
15 to fill any vacancy shall be for the period of the unexpired  
16 term or until a successor is appointed and qualified.

17 \* \* \*

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

25 Section 11. Section 1722-A(a), (b) and (d) of the act,  
26 amended November 17, 2010 (P.L.996, No.104), are amended and the  
27 section is amended by adding a subsection to read:

28 Section 1722-A. Facilities.--(a) A charter school entity  
29 may be located in an existing public school building, in a part  
30 of an existing public school building, in space provided on a

1 privately owned site, in a public building or in any other  
2 suitable location.

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

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

10 \* \* \*

11 (f) (1) Alcoholic beverages shall not be available for  
12 consumption, purchase or sale in any charter school entity  
13 facility.

14 (2) If, in the case of a charter school or regional charter  
15 school, the local board of school directors reasonably believes  
16 that alcoholic beverages have been made available for  
17 consumption, purchase or sale in the charter school or regional  
18 charter school facility, the local board of school directors  
19 shall notify the department.

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

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

26 (ii) A fine of five thousand dollars (\$5,000) for the second  
27 or subsequent violation.

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

1 Section 12. Section 1723-A(a) and (d) of the act, amended or  
2 added June 26, 1999 (P.L.394, No.36) and July 9, 2008 (P.L.846,  
3 No.61), are amended to read:

4 Section 1723-A. Enrollment.--(a) All resident children in  
5 this Commonwealth qualify for admission to a charter school  
6 entity within the provisions of subsection (b). If more students  
7 apply to the charter school entity than the number of attendance  
8 slots available in the school, then students must be selected on  
9 a random basis from a pool of qualified applicants meeting the  
10 established eligibility criteria and submitting an application  
11 by the deadline established by the charter school entity, except  
12 that the charter school entity may give preference in enrollment  
13 to a child of a parent who has actively participated in the  
14 development of the charter school [and] entity, to siblings of  
15 students presently enrolled in the charter school entity and to  
16 siblings of students selected for enrollment during the lottery  
17 process. First preference shall be given to students who reside  
18 in the district or districts in which the charter school entity  
19 is physically located.

20 \* \* \*

21 (d) (1) Enrollment of students in a charter school,  
22 regional charter school or cyber charter school OR EXPANSION OF <--  
23 A CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER  
24 SCHOOL INTO ADDITIONAL GRADE LEVELS shall not be subject to a  
25 cap or otherwise limited by any past or future action of a board  
26 of school directors, a board of control established under  
27 Article XVII-B, a special board of control established under  
28 section 692 or any other governing authority[, unless agreed to  
29 by the charter school or cyber charter school as part of a  
30 written charter pursuant to section 1720-A].

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

5 Section 13. Section 1725-A of the act, amended or added June  
6 19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35) and  
7 June 29, 2002 (P.L.524, No.88), is amended to read:

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

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

13 (2) [For non-special education students, the charter school  
14 shall receive for each student enrolled no less than the  
15 budgeted total expenditure per average daily membership of the  
16 prior school year, as defined in section 2501(20), minus the  
17 budgeted expenditures of the district of residence for nonpublic  
18 school programs; adult education programs; community/junior  
19 college programs; student transportation services; for special  
20 education programs; facilities acquisition, construction and  
21 improvement services; and other financing uses, including debt  
22 service and fund transfers as provided in the Manual of  
23 Accounting and Related Financial Procedures for Pennsylvania  
24 School Systems established by the department. This amount shall  
25 be paid by the district of residence of each student.] For non-  
26 special education students, the charter school entity shall  
27 receive for each student enrolled the following, which shall be  
28 paid by the school district of residence of each student by  
29 deduction and transfer from all State payments due to the school  
30 district of residence as provided for under clause (5):

1 (i) Subject to clause (ii), no less than the budgeted total  
2 expenditure per average daily membership of the prior school  
3 year, as defined in section 2501(20), minus the budgeted  
4 expenditures of the district of residence for nonpublic school  
5 programs; adult education programs; community/junior college  
6 programs; student transportation services; for special education  
7 programs; facilities acquisition, construction and improvement  
8 services; and other financing uses, including debt service and  
9 fund transfers as provided in the Manual of Accounting and  
10 Related Financial Procedures for Pennsylvania School Systems  
11 established by the department.

12 (ii) Beginning in the 2013-2014 school year and through and  
13 including the 2014-2015 school year, the following:

14 (A) For each student enrolled in a charter school or  
15 regional charter school, no less than the budgeted total  
16 expenditure per average daily membership of the prior school  
17 year, as defined in section 2501(20), minus the budgeted  
18 expenditures of the district of residence for nonpublic school  
19 programs; adult education programs; community/junior college  
20 programs; student transportation services; special education  
21 programs; facilities acquisition, construction and improvement  
22 services; and other financing uses, including debt service and  
23 fund transfers as provided in the Manual of Accounting and  
24 Related Financial Procedures for Pennsylvania School Systems  
25 established by the department.

26 (B) For each student enrolled in a cyber charter school, no  
27 less than the budgeted total expenditure per average daily  
28 membership of the prior school year, as defined in section  
29 2501(20), minus the budgeted expenditures of the district of  
30 residence for nonpublic school programs; adult education

1 programs; community/junior college programs; student  
2 transportation services; special education programs; facilities  
3 acquisition, construction and improvement services; other  
4 financing uses, including debt service and fund transfers as  
5 provided in the Manual of Accounting and Related Financial  
6 Procedures for Pennsylvania School Systems established by the  
7 department; food services; and the full employer's share of  
8 retirement contributions paid to the Public School Employees'  
9 Retirement System.

10 (2.1) The amount under clause (2) shall be calculated by  
11 each school district on a form prescribed by the secretary in  
12 accordance with this section. The secretary, upon receipt of a  
13 school district's calculation, shall review the school  
14 district's calculation and may request supporting documentation  
15 from the school district regarding its calculation. If the  
16 secretary finds an error or discrepancy in a school district's  
17 calculation, the secretary shall require the school district to  
18 correct the calculation and require the school district to  
19 notify affected charter school entities.

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

1 education student as provided under clause (2), plus an  
2 additional amount determined by dividing the total special  
3 education expenditure of the school district of residence by the  
4 product of:

5 (i) the combined percentage of section 2509.5(k) applicable  
6 to the school year; and

7 (ii) the total average daily membership of the school  
8 district of residence for the prior school year.

9 (3.1) The following apply:

10 (i) The amount under clauses (2) and (3) shall be paid by  
11 the school district of residence of each student by deduction  
12 and transfer from all State payments due to the school district  
13 of residence as provided under clause (5).

14 (ii) If a charter school entity disputes the accuracy of a  
15 school district's calculation under clauses (2) and (3), the  
16 charter school entity shall file a notice of the dispute with  
17 the secretary, who shall hold a hearing to determine the  
18 accuracy of the school district's calculation within thirty (30)  
19 days of the notice.

20 (iii) The secretary shall determine the accuracy of the  
21 school district's calculation and make any necessary billing  
22 adjustment within thirty (30) days of the hearing.

23 (iv) The school district shall bear the burden of production  
24 and proof with respect to its calculation under this clause.

25 (v) The school district shall be liable for the reasonable  
26 legal fees incurred by a charter school entity if the charter  
27 school entity is the substantially prevailing party after a  
28 hearing under this section. The charter school entity shall be  
29 liable for the reasonable legal fees incurred by the school  
30 district if the school district is the substantially prevailing

1 party after a hearing under this section.

2 (vi) All decisions of the secretary under this clause shall  
3 be subject to appellate review by Commonwealth Court.

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

26 (5) [Payments shall be made to the charter school in twelve  
27 (12) equal monthly payments, by the fifth day of each month,  
28 within the operating school year. A student enrolled in a  
29 charter school shall be included in the average daily membership  
30 of the student's district of residence for the purpose of

1 providing basic education funding payments and special education  
2 funding pursuant to Article XXV. If a school district fails to  
3 make a payment to a charter school as prescribed in this clause,  
4 the secretary shall deduct the estimated amount, as documented  
5 by the charter school, from any and all State payments made to  
6 the district after receipt of documentation from the charter  
7 school.] Beginning in the 2013-2014 school year, the following  
8 apply:

9 (i) Payments shall be made to the charter school entity in  
10 twelve (12) equal monthly payments, according to the established  
11 monthly unipay schedule within the operating school year or any  
12 subsequent school year.

13 (ii) Except as provided for in subclause (v), payments shall  
14 be made directly by the secretary deducting and paying to the  
15 charter school entity the estimated amount, as documented by the  
16 charter school entity, from:

17 (A) all State payments due to the school district of  
18 residence; or

19 (B) if no payments are due to the school district of  
20 residence, from all State payments reasonably expected to be due  
21 in the next established monthly unipay schedule, after receipt  
22 of documentation from the charter school entity as to its  
23 enrollment.

24 (iii) At least thirty (30) days prior to the scheduled  
25 payment date each month, a charter school entity shall provide  
26 to the department and to the school district of residence of  
27 each student enrolled in the charter school entity documentation  
28 of the charter school entity's enrollment, on a form to be  
29 developed by the secretary within sixty (60) days of the  
30 effective date of this section. The form, which shall be

1 developed in consultation with representatives of charter school  
2 entities and school districts, shall require the charter school  
3 entity to provide to the department and to the school district  
4 of residence of each student enrolled in the charter school  
5 entity, documentation of each student's current enrollment in  
6 the charter school entity and current residence in the school  
7 district, including the following information:

8 (A) Student's name.

9 (B) Student's home address.

10 (C) Name and telephone number of student's parent or  
11 guardian.

12 (D) Student's date of birth.

13 (E) Student's grade level.

14 (F) Type of school in which student was previously enrolled.

15 (G) Student's date of enrollment.

16 (H) Whether each student is being educated under an  
17 individualized education plan under the Individuals with  
18 Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400  
19 et seq.).

20 (I) The tuition amount due on account of each student.

21 (J) The total amount due from the school district for that  
22 month.

23 (K) Copies of the actual documents used by the charter  
24 school entity to verify each student's residence in the school  
25 district.

26 The secretary shall not make payments under this section until  
27 the charter school entity provides the department and the school  
28 district or residence with a completed form and accompanying  
29 documentation as required under this clause. A charter school  
30 entity may make only one (1) payment request per month under

1 this clause. After a charter school entity makes a payment  
2 request under this clause, any necessary corrections or  
3 adjustments may be made in the next subsequent monthly payment  
4 request.

5 (iv) The secretary's obligation to make payments under this  
6 section is mandatory and ministerial, except that payments made  
7 pursuant to this section shall not be given priority over  
8 payments required pursuant to sections 633 and 785 and 53  
9 Pa.C.S. § 8125(b) (relating to security for tax anticipation  
10 notes and sinking fund), or an agreement pursuant to which the  
11 Commonwealth is required to make payment to a holder of debt  
12 issued by or on behalf of a school entity. If payments required  
13 under sections 633 and 785 and 53 Pa.C.S. § 8125(b) preclude the  
14 timely payment of funds to a charter school entity under section  
15 1725-A or will cause the board of school directors of a school  
16 district to fail to pay or provide for payment under this  
17 subsection, nothing shall preclude the secretary from  
18 withholding funds from any and all State payments made to the  
19 school district for the operating school year or for any  
20 subsequent operating school year.

21 (v) If there are insufficient State payments due to a school  
22 district in the established monthly unipay schedule to cover all  
23 charter school entity deductions and transfers, the school  
24 district shall be responsible for paying the unpaid balance  
25 directly to the charter school entity not more than ten (10)  
26 days following the established monthly unipay schedule.

27 (vi) A student enrolled in a charter school entity shall be  
28 included in the average daily membership of the student's school  
29 district of residence for the purpose of providing basic  
30 education funding payments and special education funding under

1 Article XXV.

2 (6) [Within thirty (30) days after the secretary makes the  
3 deduction described in clause (5), a school district may notify  
4 the secretary that the deduction made from State payments to the  
5 district under this subsection is inaccurate. The secretary  
6 shall provide the school district with an opportunity to be  
7 heard concerning whether the charter school documented that its  
8 students were enrolled in the charter school, the period of time  
9 during which each student was enrolled, the school district of  
10 residence of each student and whether the amounts deducted from  
11 the school district were accurate.] The following apply:

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

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

25 (iii) The burden of proof and production at the hearing  
26 shall be on the school district. A hearing shall not be held  
27 before the secretary deducts and transfers to the charter school  
28 entity the amount estimated by the charter school entity.

29 (iv) The secretary shall determine the accuracy of the  
30 amount documented by the charter school entity and make any

1 necessary payment adjustment within thirty (30) days of the  
2 hearing.

3 (v) The school district shall be liable for the reasonable  
4 legal fees incurred by a charter school entity if the charter  
5 school entity is the substantially prevailing party after a  
6 hearing under this section. The charter school entity shall be  
7 liable for the reasonable legal fees incurred by the school  
8 district if the school district is the substantially prevailing  
9 party after a hearing under this section.

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

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

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

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

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

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

28 (e) It shall be unlawful for any trustee of a charter school  
29 entity or any board of trustees of a charter school entity or  
30 any other person affiliated in any way with a charter school

1 entity to demand or request, directly or indirectly, any gift,  
2 donation or contribution of any kind from any parent, teacher,  
3 employe or any other person affiliated with the charter school  
4 entity as a condition for employment or enrollment and/or  
5 continued attendance of any pupil. Any donation, gift or  
6 contribution received by a charter school entity shall be given  
7 freely and voluntarily.

8 (f) A charter school entity may not provide discounts to a  
9 school district or waive payments under this section for any  
10 student.

11 Section 14. ~~Section 1728-A~~ SECTIONS 1728-A AND 1729-A(A), <--  
12 (B) AND (C) of the act, added June 19, 1997, (P.L.225, No.22), <--  
13 ~~is~~ ARE amended to read: <--

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

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

1 certification and personnel records.

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

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

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

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

1 accountant. The audit shall be conducted under generally  
2 accepted audit standards of the Governmental Accounting  
3 Standards Board and shall include the following:

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

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

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

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

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

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

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

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

1 district's publicly accessible Internet website.

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

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

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

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

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

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

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

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

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

3     ~~Section 15. Section 1729 A(a), (b) and (c) of the act, added <--~~  
4 ~~June 19, 1997 (P.L.225, No.22), are amended to read:~~

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

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

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

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

21     (4) Violation of provisions of this article.

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

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

26     \* \* \*

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

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

17 (c) Any notice of revocation or nonrenewal of a charter  
18 given by the local board of school directors of a school  
19 district shall state the grounds for such action with reasonable  
20 specificity and give reasonable notice to the [governing] board  
21 of trustees of the charter school or regional charter school of  
22 the date on which a public hearing concerning the revocation or  
23 nonrenewal will be held. The local board of school directors  
24 shall conduct such hearing, present evidence in support of the  
25 grounds for revocation or nonrenewal stated in its notice and  
26 give the charter school or regional charter school reasonable  
27 opportunity to offer testimony before taking final action.  
28 Formal action revoking or not renewing a charter shall be taken  
29 by the local board of school directors at a public meeting held  
30 pursuant to [the act of July 3, 1986 (P.L.388, No.84), known as

1 the "Sunshine Act,"] 65 Pa.C.S. Ch. 7 (relating to open  
2 meetings) after the public has had thirty (30) days to provide  
3 comments to the board. All proceedings of the local board  
4 pursuant to this subsection shall be subject to 2 Pa.C.S. Ch. 5  
5 Subch. B (relating to practice and procedure of local agencies).  
6 Except as provided in subsection (d), the decision of the local  
7 board shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating  
8 to judicial review of local agency action).

9 \* \* \*

10 Section ~~16~~ 15. The act is amended by adding sections to <--  
11 read:

12 Section 1729.1-A. Evaluation of Educators.--(a) All  
13 applications by a charter school entity for a charter or for the  
14 renewal of a charter shall include a system of evaluation for  
15 educators that ~~includes~~ HAS BEEN PREAPPROVED BY THE DEPARTMENT <--  
16 AS BEING RIGOROUS AND AS INCLUDING both of the following:

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

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

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

29 (C) FOR PURPOSES OF THIS SECTION, THE TERM "EDUCATOR" SHALL <--  
30 INCLUDE ALL PROFESSIONAL EMPLOYES WHO ARE CERTIFIED AS TEACHERS

1 AND NONCERTIFIED STAFF MEMBERS WHO TEACH IN A CHARTER SCHOOL  
2 ENTITY.

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

4 (a) Establishment shall be as follows:

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

9 (i) The department approves the consolidation as proposed in  
10 the application form submitted to the department pursuant to  
11 subsection (c).

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

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

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

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

30 (3) Nothing under this section shall be construed to affect

1 or change the terms or conditions of any individual charter  
2 previously granted that is consolidated under this section.

3 (b) (1) A charter school that, within either of the most  
4 recent two (2) school years, has failed to meet the requirements  
5 for student performance set forth in 22 Pa. Code Ch. 4 (relating  
6 to academic standards and assessment), accepted standards of  
7 fiscal management or audit requirements or performance standards  
8 set forth by the matrix established under section 1731.2-A shall  
9 not be eligible to consolidate with another charter school  
10 unless the consolidation includes a charter school demonstrating  
11 that it has satisfied such requirements for the most recent two  
12 (2) school years.

13 (2) This section shall not apply until the effective date of  
14 the regulations implementing the performance matrix required  
15 under section 1731.2-A.

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

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

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

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

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

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

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

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

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

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

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

18 (d) A multiple charter school organization may:

19 (1) Participate in the assessment system in the same manner  
20 in which a school district participates, with its individual  
21 charter schools participating in the assessment system in the  
22 same manner as individual schools within school districts. All  
23 data gathered for purposes of evaluation shall be gathered in  
24 the same manner in which data is gathered in the case of school  
25 districts and individual schools within school districts.  
26 Nothing in this paragraph shall alter the manner in which  
27 charter school performance on assessments is measured as  
28 required under the No Child Left Behind Act of 2001 (Public Law  
29 107-110, 115 Stat. 1425), or its successor Federal statute.

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

1 obtaining the approval of the department and of the school  
2 district that granted the initial charter of each charter school  
3 proposed to be added under subsection (a)(1).

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

9 (e) A multiple charter school organization shall be regarded  
10 as the holder of the charter of each individual charter school  
11 under its oversight and each previously or subsequently awarded  
12 charter shall be subject to nonrenewal or revocation by the  
13 local board of school directors that granted the initial charter  
14 in accordance with this act. The nonrenewal or revocation of the  
15 charter of an individual charter school under the oversight of a  
16 multiple charter school organization shall not affect the status  
17 of a charter awarded for any other individual charter school  
18 under the oversight of the multiple charter school organization.

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

21 Section 1731.1-A. Fund Balance Limits.--Fund balance limits  
22 shall be as follows:

23 (1) For the 2013-2014 school year and each school year  
24 thereafter, a charter school entity shall not accumulate an  
25 unassigned fund balance greater than the charter school entity  
26 unassigned fund balance limit, which will be determined as  
27 follows:

28		<u>Maximum Unassigned Fund</u>
29	<u>Charter School Entity</u>	<u>Balance as Percentage of</u>
30	<u>Total Budgeted Expenditures</u>	<u>Total Budgeted Expenditures</u>

1	<u>Less than or equal to \$11,999,999</u>	<u>12%</u>
2	<u>Between \$12,000,000 and \$12,999,999</u>	<u>11.5%</u>
3	<u>Between \$13,000,000 and \$13,999,999</u>	<u>11%</u>
4	<u>Between \$14,000,000 and \$14,999,999</u>	<u>10.5%</u>
5	<u>Between \$15,000,000 and \$15,999,999</u>	<u>10%</u>
6	<u>Between \$16,000,000 and \$16,999,999</u>	<u>9.5%</u>
7	<u>Between \$17,000,000 and \$17,999,999</u>	<u>9%</u>
8	<u>Between \$18,000,000 and \$18,999,999</u>	<u>8.5%</u>
9	<u>Greater Than or Equal to \$19,000,000</u>	<u>8%</u>

10     (2) Any unassigned fund balance in place on June 30, 2013,  
11 that exceeds the charter school entity unassigned fund balance  
12 limit shall be refunded on a pro rata basis within ninety (90)  
13 days to all school districts that paid tuition to the charter  
14 school entity on behalf of students enrolled in the 2011-2012  
15 and 2012-2013 school years. The funds in excess of the  
16 unassigned fund balance limit may not be used to pay bonuses to  
17 any administrator, board of trustees member, employe, staff  
18 member or contractor and may not be transferred to a charter  
19 school foundation. If a charter school entity uses funds in  
20 excess of the unassigned fund balance limit to pay bonuses to  
21 any administrator, board of trustees member, employee, staff  
22 member or contractor or transfers such funds to a charter school  
23 foundation, the charter school entity shall pay the department a  
24 penalty equal to one percent (1%) of its unassigned fund  
25 balance.

26     (3) For the 2013-2014 school year and each school year  
27 thereafter, any unassigned fund balance in place on June 30,  
28 2014, and on June 30 of each year thereafter in excess of the  
29 charter school entity unassigned fund balance limit shall be  
30 refunded on a pro rata basis within forty-five (45) days to all

1 school districts that paid tuition to the charter school entity  
2 in the prior school year.

3 (4) By September 30, 2013, and August 15 of each year  
4 thereafter, each charter school entity shall provide the  
5 department and all school districts that paid tuition to the  
6 charter school entity in the prior school year with information  
7 certifying compliance with this section. The information shall  
8 be provided in a form and manner prescribed by the department  
9 and shall include information on the charter school entity's  
10 estimated ending unassigned fund balance expressed as a dollar  
11 amount and as a percentage of the charter school entity's total  
12 budgeted expenditures for that school year.

13 (5) As used in this section, "unassigned fund balance" shall  
14 mean that portion of the fund balance of a charter school entity  
15 or of a charter school foundation that provides funding or  
16 resources or otherwise serves to support the charter school  
17 entity, directly or through an affiliated entity, that is:

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

20 (ii) held in the General Fund accounts of the charter school  
21 entity or the charter school foundation.

22 Section 1731.2-A. Performance Matrix.--The following shall  
23 apply:

24 (1) Within eighteen (18) months of the effective date of  
25 this section, the State Board of Education shall develop a  
26 standard performance matrix to evaluate charter school entity  
27 performance and shall promulgate regulations pursuant to the act  
28 of June 25, 1982 (P.L.633, No.181), known as the "Regulatory  
29 Review Act," to implement this section.

30 (2) The performance matrix may assess performance by

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

12 (2.1) In developing the performance matrix, the State Board  
13 of Education shall determine an academic quality benchmark the  
14 satisfaction of which shall qualify a charter school entity for  
15 a ten (10) year renewal term pursuant to section 1720-A(a)(2) or  
16 1745-A(f)(3). The academic quality benchmark shall be included  
17 in the regulations required under clause (1).

18 (3) In developing the performance matrix, the State Board of  
19 Education may contract for consulting services with an entity  
20 that has experience in developing performance matrices if the  
21 services are procured through a competitive bidding process.

22 (4) Neither the department nor any local board of school  
23 directors or other school district governing authority may  
24 develop a separate performance matrix for the evaluation of a  
25 charter school entity.

26 (5) (i) A local board of school directors or other school  
27 district governing authority shall utilize the standard  
28 performance matrix as a primary factor in evaluating new and  
29 renewal charter school and regional charter school applicants  
30 and in annual monitoring and evaluation of charter schools and

1 regional charter schools.

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

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

18 (ii) The Statewide advisory committee required to be  
19 convened under subparagraph (i) shall be convened not later than  
20 thirty (30) days after the effective date of this section and  
21 shall meet regularly to fulfill requirements of this paragraph.

22 (7) The department shall distribute the performance matrix  
23 to all school districts and shall publish the matrix on the  
24 department's publicly accessible Internet website.

25 Section ~~17~~ 16. Section 1732-A of the act, amended June 29, <--  
26 2002 (P.L.524, No.88), is amended to read:

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

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

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

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

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

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

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

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

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

28 (8) 65 Pa.C.S. Ch. 7 (relating to open meetings).

29 (9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and  
30 financial disclosure).

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

3 [Section 5.216 (relating to ESOL).

4 Section 5.4 (relating to general policies).]

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

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

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

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

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

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

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

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

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

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

22 Section ~~18~~ 17. The act is amended by adding a section to <--  
23 read:

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

1 effect after June 30, 2013, shall be for the term specified  
2 under section 1720-A(a)(2) or 1745-A(f)(3).

3 (b) A charter school entity approved after the effective  
4 date of this section shall be in full compliance with this  
5 article.

6 (c) Within sixty (60) days of the effective date of this  
7 section, each charter school entity shall demonstrate, to the  
8 satisfaction of the local board of school directors or, in the  
9 case of a cyber charter school, to the satisfaction of the  
10 department, that the charter school entity is in compliance with  
11 sections 1332 and 1333, including the institution of truancy  
12 proceedings when required under section 1333.

13 Section ~~19~~ 18. Sections 1741-A(c), 1742-A and ~~1745-A~~, 1745-A <--  
14 AND 1749-A(A) AND (C) of the act, added June 29, 2002 (P.L.524,  
15 No.88), are amended to read:

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

17 \* \* \*

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

22 Section 1742-A. Assessment and evaluation.

23 The department shall:

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

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

1 test, standardized tests and other performance indicators to  
2 ensure compliance with 22 Pa. Code Ch. 4 (relating to  
3 academic standards and assessment) or subsequent regulations  
4 promulgated to replace 22 Pa. Code Ch. 4.

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

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

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

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

24 (b.1) Local board of school directors or intermediate  
25 unit.--

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

29 (2) Nothing in this article shall be construed to  
30 preclude a school district or an intermediate unit from

1 offering instruction via the Internet or other electronic  
2 means, except that the instruction shall not be recognized as  
3 a cyber charter school under this article unless the school  
4 district or intermediate unit establishes a cyber charter  
5 school pursuant to subsections (a) and (b.1)(1).

6 (c) Attendance.--Attendance at a cyber charter school shall  
7 satisfy requirements for compulsory attendance, subject to  
8 penalties for violation of compulsory attendance requirements  
9 under section 1333.

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

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

23 (f) Evaluation criteria.--

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

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

30 (ii) The capability of the cyber charter school

1 applicant, in terms of support and planning, to provide  
2 comprehensive learning experiences to students under the  
3 charter.

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

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

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

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

19 (3) Upon approval of a cyber charter school application,  
20 a written charter shall be developed which shall contain the  
21 provisions of the charter application and be signed by the  
22 secretary and each member of the board of trustees of the  
23 cyber charter school. The charter, when duly signed, shall  
24 act as legal authorization of the establishment of a cyber  
25 charter school. The charter shall be legally binding on the  
26 department, the cyber charter school and its board of  
27 trustees. The charter [shall be for a period of no less than  
28 three years nor more than five years and may be renewed for a  
29 period of five years by the department.] term shall be as  
30 follows:

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

3           (ii) Prior to the effective date of the regulations  
4 implementing the performance matrix as required pursuant  
5 to section 1731.2-A, a charter may be renewed for five  
6 year periods upon reauthorization by the department.

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

10           (A) For cyber charter schools that have  
11 satisfied the academic quality benchmark established  
12 by the State Board of Education pursuant to section  
13 1731.2-A, a charter may be renewed for ten year  
14 periods upon reauthorization by the department.

15           (B) For cyber charter schools that have not  
16 satisfied the academic quality benchmark established  
17 by the State Board of Education pursuant to section  
18 1731.2-A, a charter may be renewed for five year  
19 periods upon reauthorization by the department.

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

22           (5) (i) A cyber charter school may request amendments  
23 to its approved written charter by filing with the  
24 department a written document describing the requested  
25 amendment.

26           (ii) Within 20 days of its receipt of the request  
27 for an amendment, the department shall hold a public  
28 hearing on the requested amendment under 65 Pa.C.S. Ch. 7  
29 (relating to open meetings).

30           (iii) Within 20 days after the hearing, the

1 department shall grant or deny the requested amendment.  
2 Failure by the department to hold a public hearing and to  
3 grant or deny the amendment within the time period  
4 specified shall be deemed an approval.

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

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

12 (h) Appeal.--If the department fails to hold the required  
13 public hearing or to approve or disapprove the charter, the  
14 applicant may file its application as an appeal to the appeal  
15 board. The appeal board shall review the application and make a  
16 decision to approve or disapprove the charter based on the  
17 criteria in subsection (f).

18 ~~Section 20. Section 1749 A(a) and (c) of the act, added June <--~~  
19 ~~29, 2002 (P.L.524, No.88), are amended to read:~~

20 Section 1749-A. Applicability of other provisions of this act  
21 and of other acts and regulations.

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

24 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,  
25 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,  
26 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,  
27 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,  
28 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,  
29 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-  
30 B, 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A,

1 1719-A, 1721-A, 1722-A, [1723-A(a) and (b)] 1723-A(a), (b)  
2 and (d), 1724-A, 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and  
3 (h), 1729-A, 1729.1-A, 1730-A, 1731-A(a) (1) and (b), 1731.1-  
4 A, 1731.2-A, 1733-A and 2014-A and Articles [XII-A,] XIII-A  
5 and XIV.

6 (1.1) Act of July 19, 1957 (P.L.1017, No.451), known as  
7 the State Adverse Interest Act.

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

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

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

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

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

28 (7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

29 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and  
30 financial disclosure).

1 \* \* \*

2 (c) Existing charter schools.--

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

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

13 (i) Section 1743-A(c), (d), (e), (f), (g), (h) and

14 (i).

15 (ii) Section 1744-A.

16 (iii) Section 1748-A.

17 Section ~~21~~ 19. The addition of section ~~1725(a)(2)(ii)~~ <--  
18 1725-A(A)(2)(II) shall expire at the end of the 2014-2015 school <--  
19 year.

20 Section ~~22~~ 20. This act shall take effect as follows: <--

21 (1) The amendment or addition of the following  
22 provisions of the act shall take effect immediately:

23 (i) Section 1704-A.

24 (ii) Section 1725-A(a)(1), (2), (2.1), (3) and (4),  
25 (b), (c), (d), (e) and (f).

26 (iii) Sections 1731.1-A.

27 (iv) Section 1731.2-A.

28 (v) Section 1732-A.

29 (vi) Section 1749-A.

30 (2) The amendment of section 1725-A(a)(5) and (6) of the

1 act shall take effect in 90 days.

2 (3) This section shall take effect immediately.

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