

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 530 Session of 2015

INTRODUCED BY REESE, CAUSER, DIAMOND, GROVE, KRIEGER, MILLARD, O'NEILL, SAYLOR, DUNBAR, MOUL, CUTLER, BAKER AND GABLER, FEBRUARY 18, 2015

AMENDMENTS TO SENATE AMENDMENTS, HOUSE OF REPRESENTATIVES, DECEMBER 22, 2015

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in preliminary provisions, further
6 providing for criminal history of employees and prospective
7 employees and conviction of certain offenses and for Keystone
8 exams; providing for powers and duties of the Secretary of
9 Education; in duties and powers of boards of school
10 directors, providing for publication of policies; providing <--
11 for powers and duties of the Secretary of Education;
12 providing for school watch, and for State opportunity
13 schools; in grounds and buildings, providing for posting of
14 information and further providing for limitations on approval
15 of public school building projects; and establishing the
16 Public School Building Construction and Reconstruction
17 Advisory Committee; in professional employees; further
18 providing for payment of salaries in cases of sickness,
19 injury or death; in certification of teachers, further
20 providing for granting provisional college certificates and
21 providing for provisional vocational education; in pupils and
22 attendance, further providing for education and training of
23 exceptional children; and for cost of tuition and maintenance
24 of certain expectational EXCEPTIONAL children in approved <--
25 institutions; in school health services, further providing
26 for definitions; providing for education of school employees
27 in diabetes care and management, for diabetes care in
28 schools, for possession and use of diabetes medication and
29 monitoring equipment, for liability, for coordinating,
30 supervising or educating not considered delegation and for
31 diabetes care in nonpublic schools; in terms and courses of
32 study, further providing for agreements with institutions of

1 higher education; in education support services and
2 educational assistance programs, providing for supplemental
3 online mathematics support; in opportunities for educational
4 excellence, further providing for definitions, for
5 responsibilities of school entities and for concurrent
6 enrollment agreements; in charter schools, extensively
7 revising and adding charter school provisions; in vocational
8 education, further providing for vocational education
9 equipment grants; in community colleges, further providing
10 for election or appointment and term and organization of
11 board of trustees, financial program and payment
12 reimbursement; in disruptive student programs, further
13 providing for applications; in private alternative education
14 institutions for disruptive students, further providing for
15 contracts with private alternative education institutions;
16 providing for rural regional college for underserved
17 counties; in funding for public libraries, providing for
18 State aid for fiscal year 2015-2016; in reimbursements by
19 Commonwealth and between school districts, providing for
20 student-weighted basic education funding, for transition to
21 student-weighted basic education funding for 2014-2015 school
22 year and for career and technical education career
23 preparation; further providing for payments to intermediate
24 units, for special education payments to school districts and
25 for extraordinary special education program expenses;
26 repealing provisions relating to special education funding
27 for eligible students with disabilities in Cost Category 3;
28 further providing for assistance to school districts declared
29 to be in financial recovery status or identified for
30 financial watch status; providing for reimbursement for
31 school districts not submitting required documentation, for
32 public school building lease and debt service reimbursements
33 for fiscal year 2015-2016 and for ready-to-learn block
34 grants; providing for school district debt refinancing bonds;
35 in the State Board of Education, further providing for powers
36 and duties of the board; and repealing provisions of The
37 Fiscal Code relating to rural regional college for
38 underserved counties.

39 The General Assembly of the Commonwealth of Pennsylvania
40 hereby enacts as follows:

41 Section 1. Section 111(b), (c.1) and (j)(2) of the act of
42 March 10, 1949 (P.L.30, No.14), known as the Public School Code
43 of 1949, amended or added July 9, 2008 (P.L.846, No.61) and June
44 30, 2012 (P.L.684, No.82), are amended and the section is
45 amended by adding subsections to read:

46 Section 111. Criminal History of Employes and Prospective
47 Employes; Conviction of Certain Offenses.--

48 * * *

49 (b) Administrators of public and private schools,

1 intermediate units and area vocational-technical schools shall
2 require prospective employes to submit with their employment
3 application, pursuant to 18 Pa.C.S. Ch.91 (relating to criminal
4 history record information), a report of criminal history record
5 information from the Pennsylvania State Police or a statement
6 from the Pennsylvania State Police that the State Police central
7 repository contains no such information relating to that person.
8 Such report of criminal history record information shall be no
9 more than [one (1) year] five (5) years old. An applicant may
10 submit a copy of the required information with the application
11 for employment. Administrators shall maintain a copy of the
12 required information. Administrators shall require contractors
13 to produce a report of criminal history record information for
14 each prospective employe of such contractor prior to employment.
15 A copy of the report of criminal history record information from
16 the Pennsylvania State Police shall be made available to the
17 applicant in a manner prescribed by the Department of Education.

18 (c.1) Beginning April 1, 2007, administrators shall maintain
19 on file with the application for employment a copy of the
20 Federal criminal history record in a manner prescribed by the
21 Department of Education. At a minimum, the Department of
22 Education shall prescribe a method for applicants to submit a
23 set of fingerprints to be transmitted to the Federal Bureau of
24 Investigation for Federal criminal history record information
25 pursuant to the applicable Federal law. The Federal criminal
26 history record information report shall be no more than [one (1)
27 year] five (5) years old. Administrators shall maintain a copy
28 of the required information and shall require each applicant to
29 secure a Federal criminal history record information report that
30 may not be more than [one (1) year] five (5) years old at the

1 time of employment. A copy of the Federal criminal history
2 record information report shall be made available to the
3 applicant in a manner prescribed by the Department of Education.

4 * * *

5 (c.3) In accordance with 23 Pa.C.S. § 6344.4 (relating to
6 certification compliance), administrators shall require the
7 persons subject to this section to obtain the reports described
8 in subsections (b) and (c.1) and under 23 Pa.C.S. § 6344(b)(2)
9 (relating to employees having contact with children; adoptive
10 and foster parents) on a renewed basis every sixty (60) months.
11 Any person subject to this section who has previously not been
12 required to obtain the reports required by subsections (b) and
13 (c.1) and under 23 Pa.C.S. § 6344(b)(2) on account of service
14 prior to April 1, 2007, shall be required to obtain such reports
15 no later than December 31, 2015. The administrator shall review
16 the reports and determine if the reports disclose information
17 that may require further action. The administrator shall
18 maintain a copy of the required reports.

19 (c.4) To the extent permitted by 23 Pa.C.S. § 6344.3(f)
20 (relating to continued employment or participation in program,
21 activity or service), an administrator may accept the reports
22 identified in 23 Pa.C.S. § 6344(b)(1) and (3) obtained for
23 employment or volunteer requirements pursuant to 23 Pa.C.S. §
24 6344 in satisfaction of the requirements of subsections (b) and
25 (c.1), provided the reports are not more than sixty (60) months
26 old and the applicant provides the administrator with the report
27 described in subsection (j)(1) indicating that the individual
28 has not been disqualified from employment pursuant to subsection
29 (e) or (f.1). The applicant shall also provide an attestation
30 that the applicant has not been disqualified for employment

1 under 23 Pa.C.S. § 6344(c)(1). The administrator shall review
2 the reports and determine if the reports disclose information
3 that may require further action and shall maintain a copy of the
4 required reports.

5 * * *

6 (j) * * *

7 (2) All current and prospective employees of a public or
8 private school, intermediate unit or area vocational-technical
9 school shall complete the form described in clause (1),
10 indicating whether or not they have been arrested for or
11 convicted of an offense enumerated under subsections (e) and
12 (f.1), provided that any current employe who completed the form
13 on or before December 27, 2011, in compliance with clauses (1)
14 and (2) on that date and who has not been arrested for or
15 convicted of an offense enumerated under subsections (e) and
16 (f.1) shall not be required to complete an additional form under
17 this subsection every sixty (60) months as required in
18 subsection (c.3).

19 * * *

20 Section 2. Section 121 of the act, added June 30, 2012
21 (P.L.684, No.82), is amended to read:

22 Section 121. Keystone Exams.--(a) Subject to annual
23 appropriation, not later than the 2020-2021 school year, the
24 Department of Education shall develop and implement Keystone
25 Exams in the following subjects: algebra I, literature, biology,
26 English composition, algebra II, geometry, United States
27 history, chemistry, civics and government and world history. The
28 State Board of Education shall promulgate regulations, subject
29 to the act of June 25, 1982 (P.L.633, No.181), known as the
30 "Regulatory Review Act," necessary to implement this section.

1 (b) In addition to any requirements on the State Board of
2 Education under the "Regulatory Review Act", on the same date
3 that pursuant to the "Regulatory Review Act" the State Board of
4 Education submits a proposed regulation for or related to the
5 implementation of Keystone Exams under this section to the
6 Legislative Reference Bureau for publication of notice of
7 proposed rulemaking in the Pennsylvania Bulletin as required by
8 the act of July 31, 1968 (P.L.769, No.240), referred to as the
9 Commonwealth Documents Law, and thereafter on the same date it
10 submits the text of the final-form regulation to the Independent
11 Regulatory Review Commission, it shall submit to the chairman
12 and minority chairman of the Education Committee of the Senate
13 and the chairman and minority chairman of the Education
14 Committee of the House of Representatives a detailed fiscal
15 impact statement that the proposed or final-form regulation will
16 have on the Commonwealth, the communities, the school districts
17 and, if applicable, private and private religious schools. The
18 detailed fiscal impact statement shall include a comprehensive
19 fiscal note of all direct and indirect costs whether incurred in
20 preparation of the proposed or final-form regulation or which
21 will be required as a result of the promulgation of the
22 regulation to its best dollar estimate. The State Board of
23 Education may include narrative statements to accompany its best
24 dollar estimate, but may not do so in lieu of detailed best
25 estimated dollar amounts.

26 (c) The following shall apply:

27 (1) Notwithstanding section 2604-B(b)(2)(v), 22 Pa. Code §
28 4.24 (relating to high school graduation requirements), 4.51
29 (relating to State assessment system) or 4.51c (relating to
30 project-based assessment) or any statute or regulation to the

1 contrary, the use of the Keystone Exam as a graduation
2 requirement or as a benchmark for the need for participation in
3 a project-based assessment shall be delayed until the 2018-2019
4 school year.

5 (2) The Department of Education shall investigate and
6 develop alternatives in addition to the use of the Keystone
7 Exams as a requirement for graduation and shall, within six (6)
8 months of the effective date of this paragraph, issue a report
9 of the Department of Education's findings and recommendations,
10 including proposed legislation, to the chairman and minority
11 chairman of the Education Committee of the Senate and the
12 chairman and minority chairman of the Education Committee of the
13 House of Representatives. The report shall, at a minimum,
14 contain a detailed plan and timeline within which the Department
15 of Education shall accomplish all of the following:

16 (i) Implement alternative methods for students to
17 demonstrate proficiency for graduation in addition to the
18 Keystone Exams, project-based assessment and other alternative
19 assessments provided for in 22 Pa. Code § 4.24.

20 (ii) Improve and expedite the evaluation of project-based
21 assessments.

22 (iii) Ensure that no student is prohibited from
23 participation in vocational-technical education or elective
24 courses or programs as a result of supplemental instruction
25 required in 22 Pa. Code §§ 4.24(k) and 4.51b(f) (relating to
26 Keystone Exams).

27 Section 3. The act is amended by adding sections to read:

28 Section 124. Powers and Duties of the Secretary of
29 Education.--(a) On behalf of the Commonwealth, the Secretary of
30 Education shall have the authority and duty to enter into and

1 administer membership in a regional compact and an interstate
2 reciprocity agreement for the provision of postsecondary
3 distance education by the following:

4 (1) Institutions of higher education to students in other
5 states, territories and districts party to such agreement.

6 (2) Postsecondary institutions in other states, territories
7 or districts that are a party to such agreement to students in
8 this Commonwealth.

9 (b) The Department of Education may charge administrative
10 fees to institutions of higher education that choose to
11 participate in the agreement, not to exceed the department's
12 costs to implement and administer the agreement. The department
13 may promulgate final-omitted regulations pursuant to the act of
14 June 25, 1982 (P.L.633, No.181), known as the "Regulatory Review
15 Act," necessary to implement this subsection, provided that such
16 final-omitted regulations shall expire on June 30, 2018. After
17 June 30, 2018, any revisions to the administrative fees charged
18 under this subsection shall be made through regulations
19 promulgated under the Regulatory Review Act.

20 (c) The Postsecondary Distance Education Interstate
21 Reciprocity Agreement Restricted Receipts Account is established
22 as a special restricted receipts account within the General Fund
23 of the State Treasury, from which the department may draw moneys
24 for the purpose of agreement expenses, the costs of
25 administering and implementing the agreement and all other costs
26 associated with the activities of the department related to
27 implementation of this section. This account shall consist of
28 all administrative fees deposited under subsection (b) and State
29 funds appropriated for use under this section. The restricted
30 receipts account shall be subject to audit by the Auditor

1 General.

2 (d) For purposes of this section, "institution of higher
3 education" shall have the meaning given in section 118 and
4 Article XIX-B.

5 Section 510.2. Publication of Policies.--Beginning with the
6 2016-2017 school year, the board of school directors of a school
7 district shall post on its publicly accessible Internet website
8 the following policies to the extent such policies are required
9 to be adopted by the school district under Federal or State law:

10 (1) The following relating to students:

11 (i) Admission of beginners.

12 (ii) Attendance, excusals and truancy.

13 (iii) Withdrawal from school.

14 (iv) Student discipline.

15 (v) Suspension and expulsion of students.

16 (vi) Searches.

17 (vii) Audio interception on school buses or school vehicles
18 for disciplinary or security purposes.

19 (viii) Retention, maintenance and access to student records.

20 (ix) Use of personal electronic devices.

21 (x) Dress and grooming.

22 (xi) Student complaint process.

23 (xii) Parent appeal of a school district's placement of
24 twins or multiple birth siblings.

25 (xiii) Participation by home school students in school
26 district extracurricular activities.

27 (2) The following relating to educational programs:

28 (i) Curriculum review by parents and students.

29 (ii) Promotion and retention.

30 (iii) Graduation requirements.

1 (3) The following relating to student health:

2 (i) Communicable diseases and immunization.

3 (ii) Health examinations and screenings.

4 (iii) Student use of medications.

5 (iv) The school district's wellness policy.

6 (4) The following relating to school property:

7 (i) Use of school property and facilities.

8 (ii) School visitation policies.

9 (iii) Integrated pest management plan.

10 (5) The following relating to community:

11 (i) Public participation in school board meetings.

12 (ii) Public attendance at school events.

13 (iii) Parental involvement policy for parents and guardians

14 of students participating pursuant to section 1118 of the

15 Elementary and Secondary Education Act of 1965 (Public Law 89-

16 10, 20 U.S.C § 6318).

17 (iv) Public access to and use of school district buildings,
18 facilities and grounds.

19 (v) Public complaint process.

20 Section 4. The act is amended by adding articles to read:

21 ARTICLE VI-B

22 SCHOOL WATCH

23 Section 601-B. Scope.

24 This article relates to Public School Web Accountability and
25 Transparency (SchoolWATCH).

26 Section 602-B. Definitions.

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

30 "Administrative staff." Employees of a public school entity

1 that include, but are not limited to, superintendents, assistant
2 superintendents, deputy superintendents, principals, assistant
3 principals, supervisors, managers, directors and coordinators.

4 "Area vocational-technical school." As defined in section
5 1841.

6 "Average daily membership." As defined in section 2501.

7 "Charter school." As defined in section 1703-A.

8 "Charter school entity." A charter school, cyber charter
9 school or regional charter school as defined in section 1703-A.

10 "Cyber charter school." As defined in section 1703-A.

11 "Department." The Department of Education of the
12 Commonwealth.

13 "Facilities acquisition and construction expenditures."
14 Expenditures related to the purchase or improvement of land,
15 buildings, service systems and built-in equipment.

16 "General fund balance." The balance in a public school
17 entity's general fund, which shall not include nonspendable and
18 restricted fund balances.

19 "Instructional expenditures." Expenditures related to all
20 those activities dealing directly with the interaction between
21 teachers and students and related costs, which can be directly
22 attributed to a program of instruction.

23 "Market value/personal income aid ratio." As defined in
24 sections 1703-A and 2501.

25 "Noninstructional expenditures." Expenditures related to
26 activities concerned with providing noninstructional services to
27 students, staff or the community.

28 "Other financing uses." Current debt service expenditures
29 and other expenses such as the refunding of debt and transfers
30 of money from one fund to another.

1 "Public school entity." Any of the following:

2 (1) An area vocational-technical school.

3 (2) A school district.

4 (3) A charter school entity.

5 "Regional charter school." As defined in section 1703-A.

6 "School district." As defined in section 102.

7 "School performance profile." A comprehensive overview of
8 student academic performance in a public school entity compiled
9 annually by the department.

10 "Support services expenditures." Expenditures related to
11 those services that provide administrative support, technical
12 support, including, but not limited to, guidance and health, and
13 logistical support to facilitate and enhance instruction.

14 Section 603-B. Financial information to be posted.

15 (a) Information.--Beginning May 31, 2016, and by May 31 each
16 year thereafter, the department shall post all of the following
17 for each public school entity on its publicly accessible
18 Internet website, to the extent the information is available to
19 the department:

20 (1) The following financial information for the public
21 school entity for the most recent fiscal year for which the
22 public school entity reported such information to the
23 department:

24 (i) Total expenditures in the following categories:

25 (A) Instructional.

26 (B) Support services.

27 (C) Noninstructional.

28 (D) Facilities acquisition and construction.

29 (E) Other financing uses.

30 (ii) The public school entity's per-student

1 expenditures, on each of the following bases:

2 (A) Based on the public school entity's
3 instructional expenditures.

4 (B) Based on the public school entity's total
5 expenditures.

6 (iii) The public school entity's per-student charter
7 school tuition rates in each of the following categories:

8 (A) For regular education students.

9 (B) For special education students.

10 (iv) The public school entity's average daily
11 membership.

12 (v) The public school entity's market value/personal
13 income aid ratio.

14 (vi) The average teacher salary in the public school
15 entity.

16 (vii) Total revenues from the following sources:

17 (A) Federal.

18 (B) State.

19 (C) Local.

20 (D) Other.

21 (viii) The public school entity's general fund
22 balance.

23 (2) A link to the most recent of each of the following
24 reports filed by the public school entity with the
25 department:

26 (i) Summaries of financial report data.

27 (ii) Nonadministrative staff compensation report.

28 (iii) Administrative staff compensation report.

29 (3) A link to the public school entity's publicly
30 accessible Internet website, where available.

1 (4) A statement instructing the public to contact the
2 public school entity for access to any union contract.

3 (b) Posting.--In posting financial information as required
4 under this section, the department shall:

5 (1) Post and compile annually all information as a "View
6 Fiscal Information" icon located on a School Performance
7 Profile for each public school entity.

8 (2) Post all information in a location and manner that
9 is easily accessible to the public.

10 (3) Include all definitions and other explanatory
11 references that may be necessary to assist Internet website
12 users in understanding the posted information.

13 (4) Use existing databases and electronic reporting
14 systems to the extent possible.

15 (5) Provide for an electronic feature that will allow
16 the public to compare financial information for a minimum of
17 four public school entities.

18 (6) Beginning with information pertaining to the 2012-
19 2013 fiscal year, post the information required under
20 subsection (a)(1) for at least the most recent three fiscal
21 years for which such information is available to the
22 department, including a trend graph displaying the change in
23 the amount reported each year from the amount reported in the
24 previous year.

25 (c) Limitation.--The department's posting of financial
26 information under this section shall not be construed to:

27 (1) Require a public school entity to provide the
28 department with any additional information, data or reports
29 that the public school entity is not already required to
30 provide to the department as of the effective date of this

1 act.

2 (2) Require any public school entity to provide the
3 department with additional information beyond the information
4 required to be provided to the department by any other public
5 school entity.

6 ARTICLE VI-C

7 STATE OPPORTUNITY SCHOOLS

8 Section 601-C. Scope.

9 This article relates to the transfer of underperforming
10 schools to the Department of Education.

11 Section 602-C. Definitions.

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

15 "Commission." The School Reform Commission established under
16 section 696.

17 "Department." The Department of Education of the
18 Commonwealth.

19 "Diagnostic audit." A comprehensive review of a school's
20 organizational structure, school management, operations,
21 academics, use of data and climate completed to identify the
22 weaknesses and strengths of the school and areas for growth and
23 improvement within the school.

24 "Education management service provider." A for-profit or
25 nonprofit management organization, nonprofit charter management
26 organization, school design provider, business manager or any
27 other partner entity with which a school district contracts to
28 provide educational design, business services, comprehensive
29 management or personnel functions. The term does not include a
30 charter school foundation.

1 "Eligible school." A school within a school district
2 designated by the school district under its performance metric
3 as an intervention school.

4 "Intervention school." A school designated in the lowest
5 performance tier of a school district's performance metric.

6 "Performance metric." The system created and utilized by a
7 school district to measure a school's academic performance.

8 "Persistently low-achieving school." An eligible school
9 designated by the secretary under section 603-C.

10 "School district." A school district of the first class.

11 "School improvement process." A school improvement plan
12 developed and implemented by the secretary.

13 "Secretary." The Secretary of Education of the Commonwealth.
14 Section 603-C. Persistently low-achieving schools.

15 (a) Designation.--

16 (1) Within 30 days of the effective date of this section
17 and by September 30 of each succeeding year, the secretary
18 shall identify eligible schools and designate persistently
19 low-achieving schools.

20 (2) The secretary shall have discretion to designate
21 persistently low-achieving schools from the list of eligible
22 schools created by the performance metrics.

23 (3) The secretary shall notify persistently low-
24 achieving schools and the school district of their
25 designation in writing within 30 days of their designation.

26 (4) The secretary shall designate five schools per year
27 as persistently low achieving.

28 (b) Limitations.--The secretary shall not identify a school
29 as persistently low achieving if the school:

30 (1) Has been converted to a charter school or

1 renaissance model within the past three years.

2 (2) Initially opened within the past three years.

3 (3) Exclusively serves a historically underserved
4 population, including, but not limited to, returning truants,
5 homeless students, students with disabilities or adjudicated
6 minors.

7 (4) Has a college matriculation rate that meets or
8 exceeds the local school district average.

9 (5) Is a charter school whose academic performance as
10 measured by the most recent Pennsylvania School Performance
11 Profile exceeds the average Pennsylvania School Performance
12 Profile for schools in the authorizing school district.

13 (c) Designation.--Once designated, a persistently low-
14 achieving school shall enter the school improvement process as
15 set forth in section 604-C.

16 Section 604-C. School improvement process.

17 (a) Diagnostic audit.--During the first academic year in
18 which a school has been designated a persistently low-achieving
19 school, a diagnostic audit of the school shall be completed no
20 later than June 30. The audit shall be provided by the
21 department.

22 (b) Department action.--Upon completion of the diagnostic
23 audit, the department shall take one or more of the following
24 actions:

25 (1) Contract with an education management service
26 provider to operate the persistently low-achieving school and
27 guarantee admission to students who were enrolled in the
28 school in the prior school year.

29 (2) Convert the persistently low-achieving school to a
30 charter school and guarantee admission to students who were

1 enrolled in the school in the prior school year.

2 (3) Close the persistently low-achieving school and
3 facilitate the transfer of students to higher performing
4 schools.

5 (4) Authorize a new charter school and, notwithstanding
6 the provisions of Article XVII-A, guarantee admission
7 preference to any students who reside in the area being
8 served by the persistently low-achieving school. The
9 department shall adopt criteria for the authorization of
10 charter schools that is consistent with the criteria set
11 forth by the National Association of Charter School
12 Authorizers.

13 (5) Replace the principal and at least 50% of the
14 professional staff at the persistently low-achieving school.

15 (6) Operate under one of the powers enumerated under
16 section 606-C.

17 Section 605-C. Powers and duties of department.

18 (a) General rule.--Except as otherwise specifically provided
19 in this article, the department shall have the powers and duties
20 of a school district under this act.

21 (b) Charter schools.--The authority of the department to
22 authorize the grant of a charter to an applicant for a charter
23 school and the authority to convert a charter school shall be
24 limited as set forth in this section.

25 (c) Criteria for conversion.--Notwithstanding the provisions
26 of Article XVII-A, the department may convert a school under its
27 jurisdiction to a charter school.

28 (d) Limitations.--For the school year 2017-2018, and each
29 school year thereafter, the department shall take one or more of
30 the actions under section 604-C(b) in persistently low-achieving

1 schools. For the school year 2017-2018, and each school year
2 thereafter, the department shall take action under section 604-
3 C(b) (2) or (4) in at least two of the persistently low-achieving
4 schools. Notwithstanding section 604-C(b), the number of schools
5 under the jurisdiction of the department may not exceed 15 at
6 any one time.

7 (e) Charter schools.--Notwithstanding any provision of law
8 to the contrary, in accordance with section 1720-A, the
9 department may revoke or opt not to renew a charter school
10 within its jurisdiction provided the department continues to
11 meet the requirements of section 605-C(d). The nonrenewal or
12 revocation may not be appealed to the State Charter School
13 Appeal Board. Any appeal of the nonrenewal or revocation shall
14 be to Commonwealth Court.

15 (f) Authority to operate.--The department may directly
16 operate a school or contract with individuals or education
17 management service providers to manage the day-to-day operations
18 of a persistently low-achieving school, including, but not
19 limited to, providing direct services to students.

20 (g) Intermediate unit services.--The department may require
21 an intermediate unit to provide school support or student
22 support services for a school transferred from the intermediate
23 unit's jurisdiction, including, but not limited to, student
24 transportation, school food service, alternative schools and
25 special education services, in compliance with laws and
26 regulations governing such services. The department shall
27 reimburse actual costs incurred by the intermediate unit in
28 providing the services from funds received under section 610-C.

29 (h) Procurement.--Notwithstanding any law to the contrary,
30 the department has the same authority and autonomy afforded to a

1 school district under State law regarding the procurement of
2 property, goods and services, including, but not limited to,
3 personal, professional, consulting and social services.

4 (i) Waiver.--Any entity the department contracts with to
5 operate or manage a school under the jurisdiction of the
6 department may apply to the secretary for a waiver of any
7 regulation or statutory provision that inhibits the ability of
8 the school to increase student achievement. The secretary may
9 waive any regulation or statutory provision that inhibits the
10 ability of the school to increase student achievement.
11 Notwithstanding this subsection, the secretary may not waive
12 rules related to the following:

- 13 (1) Federal and State civil rights.
- 14 (2) Federal, State and local health and safety.
- 15 (3) Federal and State public records.
- 16 (4) Possession of weapons on school grounds.
- 17 (5) Background checks and fingerprints of personnel.
- 18 (6) Federal and State special education requirements.
- 19 (7) Student due process.
- 20 (8) Parental rights.
- 21 (9) Federal and State student assessment and
22 accountability.
- 23 (10) Open meetings.

24 (j) Funding.--The department may seek, manage and expend
25 Federal money and grants and other funding with the same
26 authority as a school district.

27 (k) Taxing power.--The department has no authority to levy
28 any tax.

29 Section 606-C. Department-operated persistently low-achieving
30 schools.

1 (a) Powers of department.--In addition to the powers granted
2 by law to school districts, and notwithstanding any other law to
3 the contrary, the department shall have the following powers as
4 to persistently low-achieving schools operated by the
5 department:

6 (1) To enter into agreements with persons or education
7 management service providers to operate the school. A school
8 operated under this paragraph shall be funded in accordance
9 with the terms of the agreement.

10 (2) To employ professional and senior management
11 employees who do not hold State certification if the
12 department has approved the qualifications of the person at a
13 salary established by the department.

14 (3) To enter into agreements with persons or education
15 management service providers providing educational or other
16 services to the school. Services provided under this
17 paragraph shall be funded in accordance with the terms of the
18 agreement.

19 (4) Notwithstanding any other provision of this article,
20 to close or reconstitute a school, including the
21 reassignment, suspension or dismissal of professional
22 employees.

23 (5) To appoint managers, administrators or education
24 management service providers to oversee the operations of the
25 school.

26 (6) To delegate to a person, including an employee of
27 the school district or an education management service
28 provider, powers it deems necessary to carry out the purposes
29 of this article, subject to the supervision and direction of
30 the department.

1 Section 607-C. Transfer to department.

2 (a) General rule.--The department may transfer an eligible
3 school to its jurisdiction after providing notice to the
4 transferring district or transferring charter school.

5 (b) Objection by school district.--The school district of
6 the eligible school subject to transfer may object to a transfer
7 based on the criteria set forth in section 603-C(b). An
8 objection and reasons for the objection must be filed with the
9 department within 30 days of the notice in subsection (a).

10 (c) Objection by charter school.--If the eligible school
11 subject to transfer is a charter school, the charter school may
12 object to the transfer based on the criteria set forth in
13 section 603-C(b). An objection and reasons for the objection
14 must be filed with the department within 30 days of the notice
15 in subsection (a).

16 (d) Public hearing.--Within 30 days of receipt of an
17 objection by a school district or charter school, the department
18 shall hold a public hearing on the objection and shall receive
19 public testimony during the hearing.

20 (e) Decision by department.--Within 60 days of the public
21 hearing, the department shall make a final decision in
22 accordance with the criteria set forth in section 603-C(b).

23 (f) Appeal.--Within 60 days of the final decision under
24 subsection (e), an objecting party under this section shall have
25 a right of appeal to Commonwealth Court.

26 (g) Decision final.--If no objection under this section is
27 filed within the required period, the decision to transfer under
28 this section shall be final.

29 Section 608-C. Transfer from department.

30 (a) Length of transfer.--A persistently low-achieving school

1 shall remain under the jurisdiction of the department for a
2 minimum of three years.

3 (b) Return to jurisdiction of school district.--After the
4 minimum time set forth in subsection (a), the department may
5 transfer a persistently low-achieving school to the jurisdiction
6 of its school district of origin if, for two consecutive years,
7 the school does not meet the criteria necessary to be deemed a
8 persistently low-achieving school.

9 (c) Charter schools.--Upon approval of the secretary, a
10 charter school under the jurisdiction of the department may
11 retain the department as its authorizer under Article XVII-A.
12 Section 609-C. Evaluation.

13 ~~For the~~ BEGINNING WITH school year 2020-2021 AND EACH SCHOOL <--
14 YEAR THEREAFTER, an eligible school may not be transferred to
15 the jurisdiction of the department unless the department:

16 (1) demonstrates, in a report and based on criteria
17 established by the secretary, that eligible schools within the
18 jurisdiction of the department for at least three years have
19 outperformed eligible schools not transferred to the department
20 in the 2017-2018 school year; and

21 (2) submits the report to the chairman and minority chairman
22 of the Education Committee of the Senate, the chairman and
23 minority chairman of the Education Committee of the House of
24 Representatives and the Governor.

25 Section 610-C. Payments and funding.

26 (a) Tuition.--Tuition may not be charged for a resident or
27 nonresident student attending a persistently low-achieving
28 school.

29 (b) Funding.--Funding shall be provided as follows:

30 (1) For nonspecial education students, the department

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

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

24 (3) The department may request the intermediate unit in
25 which the persistently low-achieving school is located to
26 provide services to assist the department to address the
27 specific needs of exceptional students. The intermediate unit
28 shall assist the department and bill the department for the
29 services. The intermediate unit may not charge the department
30 more for any service than it charges the constituent

1 districts of the intermediate unit.

2 (4) Payments shall be made to the department in 12 equal
3 monthly payments, by the fifth day of each month, within the
4 operating school year. A student enrolled in a persistently
5 low-achieving school shall be included in the average daily
6 membership of the student's district of residence for the
7 purpose of providing basic education funding payments and
8 special education funding under Article XXV. If a school
9 district fails to make a payment to the department as
10 prescribed in this paragraph, the secretary shall deduct the
11 estimated amount, as documented by the department, from any
12 and all State payments made to the district after receipt of
13 documentation from the department.

14 (5) Within 30 days after the secretary makes the
15 deduction described in paragraph (4), a school district may
16 notify the secretary that the deduction made from State
17 payments to the district under this subsection is inaccurate.
18 The secretary shall provide the school district with an
19 opportunity to be heard concerning:

20 (i) whether the department documented that its
21 students were enrolled with the department;

22 (ii) the period of time during which each student
23 was enrolled;

24 (iii) the school district of residence of each
25 student; and

26 (iv) whether the amounts deducted from the school
27 district were accurate.

28 (c) Donations.--The department may accept donations of
29 money, property or securities from any source for the benefit of
30 the persistently low-achieving schools. A donation shall, in

1 good faith, be disbursed in accordance with the conditions of
2 the donation.

3 (d) Appropriations.--The General Assembly shall appropriate
4 funds as it deems necessary to pay the costs for the
5 implementation and administration of this article.

6 Section 611-C. Facilities.

7 Subject to a lease or license at no more than fair market
8 rates, the department shall have the right to use any school
9 building and all facilities and property otherwise part of the
10 persistently low-achieving school and recognized as part of the
11 facilities or assets of the school prior to its transfer to the
12 department and shall have access to additional facilities as
13 were typically available to the school, its students, faculty
14 and staff prior to its transfer to the department. Extensive
15 repairs to buildings or facilities considered capital expenses
16 shall be the responsibility of the transferring school district
17 and not the department. Any fixtures, improvements or tangible
18 assets added to a school building or facility by the department
19 shall remain at the school building or facility upon the school
20 being returned to the jurisdiction of the transferring school
21 district.

22 Section 612-C. Employees.

23 (a) Direct operation by department.--An employee hired to
24 work in a department school directly operated by the department
25 shall be deemed an employee of the department, and the employees
26 shall be under the exclusive control of the department. The
27 provisions of Article VI of the act of April 9, 1929 (P.L.177,
28 No.175), known as The Administrative Code of 1929, and the
29 classification and compensation plans of the Commonwealth do not
30 apply to department employees under this article. The department

1 shall develop written procedures for employment and management
2 of personnel as well as the development of compensation and
3 benefit plans. Within the limits of the budget, staffing needs
4 of any persistently low-achieving school shall be exclusively
5 determined by the department.

6 (b) Employee transfers.--The department, or an entity under
7 contract to operate a persistently low-achieving school, may
8 determine whether an employee who is assigned to a school prior
9 to the school's transfer to the department may opt to continue
10 as an employee of the department or the operating entity. If an
11 employee is not provided the option, the employee shall be
12 retained as an employee of the transferring school district. If
13 an employee accepts the option, the employee may, at the
14 discretion of the transferring school district, return to the
15 employ of the school district, if the department or operating
16 entity later determines not to continue employment.

17 (c) Certification.--At least 75% of the professional staff
18 members of a persistently low-achieving school shall hold
19 appropriate State certification.

20 (d) Collective bargaining.--Employees of a persistently low-
21 achieving school may organize under the act of July 23, 1970
22 (P.L.563, No.195), known as the Public Employe Relations Act.
23 The department shall be considered an employer for the purposes
24 of Article XI-A. Upon formation of one or more collective
25 bargaining units at the school, the department shall bargain
26 with the employees based on the provisions of this article,
27 Article XI-A and the Public Employe Relations Act. Collective
28 bargaining units at a persistently low-achieving school shall be
29 separate from any collective bargaining unit of the transferring
30 school district.

1 (e) Retirement.--All employees of the department shall be
2 enrolled in the Public School Employees' Retirement System in
3 the same manner as set forth in 24 Pa.C.S. § 8301(a) (relating
4 to mandatory and optional membership) unless the department
5 provides for a federally qualified retirement plan. The
6 Commonwealth shall make contributions on behalf of the
7 department employees enrolled in the Public School Employees'
8 Retirement System. The department shall be considered a school
9 district for purposes of this article and shall make payments by
10 employers to the Public School Employees' Retirement System and
11 payments on account of Social Security as established under 24
12 Pa.C.S. Pt. IV (relating to retirement for school employees).
13 The market value/income aid ratio used in calculating payments
14 as prescribed in this subsection shall be the market
15 value/income aid ratio for the school district from which the
16 school is transferred to the department. Except as otherwise
17 provided, employees of the department shall make regular member
18 contributions as required for active members under 24 Pa.C.S.
19 Pt. IV. If the employees of the department participate in
20 another retirement plan, then those employees shall have no
21 concurrent claim on the benefits provided to public school
22 employees under 24 Pa.C.S. Pt. IV. For purposes of this
23 subsection, the department shall be deemed to be a public school
24 as defined in 24 Pa.C.S. § 8102 (relating to definitions).

25 (f) Health care benefits.--Every employee of the department
26 shall be provided the same or comparable health care benefits as
27 the employee would be provided if he were an employee of the
28 transferring district.

29 (g) Sick leave.--Any employee of a public school who is
30 given and accepts the offer of employment with the department

1 shall retain any accumulated sick leave in the position with the
2 department.

3 (h) Leave of absence.--A public school employee of a school
4 entity may request a leave of absence for up to five years in
5 order to work for the department at a persistently low-achieving
6 school. Approval of a leave of absence shall not be unreasonably
7 withheld.

8 (i) Tenure.--A temporary professional employee on leave from
9 a school district may accrue tenure in the transferring school
10 system at the discretion of the transferring school district in
11 the same manner as the employee would under Article XI if the
12 employee had continued to be employed by the school district. A
13 professional employee on leave from a school district shall
14 retain tenure rights, as defined in Article XI, in the school
15 entity from which the employee transferred. No temporary
16 professional employee or professional employee shall have tenure
17 rights as against the department. A temporary professional
18 employee and professional employee shall continue to accrue
19 seniority in the school district from which the employee
20 transferred if the employee returns to the school district upon
21 termination of the leave.

22 (j) Service requirements for certificates.--Professional
23 employees who hold a first level teaching or administrative
24 certificate may, at their option, have the time completed in
25 satisfactory service in the department applied to the length of
26 service requirements for the next level of certification.

27 (k) Return to school district.--A temporary professional
28 employee or professional employee who leaves the employ of the
29 department shall have the right to return to a comparable
30 position for which the person is properly certified in the

1 school district which granted the leave of absence. In the case
2 where a teacher has been dismissed by the department, the
3 department shall provide to the school district which granted
4 the leave of absence the following information:

5 (1) The reason for the dismissal at the time it
6 occurred.

7 (2) A list of any witnesses who were relied upon by the
8 department in moving for dismissal.

9 (3) A description of and access to any physical evidence
10 used by the department in moving for dismissal.

11 (4) A copy of any record developed at any dismissal
12 proceeding conducted by the department. The record of any
13 hearing may be admissible in a hearing before the school
14 district which granted the leave of absence.

15 (l) Authority of commission.--Nothing in this section shall
16 affect the authority of the commission to initiate proceedings
17 under Article XI if the commission determines that occurrences
18 at the department leading to dismissal of a professional
19 employee constitute adequate and independent grounds for
20 discipline under section 1122.

21 (m) Criminal history record and child abuse clearance.--No
22 temporary employee or professional employee who leaves the
23 employ of the department shall be returned to a position in the
24 school district which granted a leave of absence until the
25 school district is in receipt of a current criminal history
26 record under section 111 and the official statement regarding
27 child injury or abuse from the Department of Human Services as
28 required by 23 Pa.C.S. Ch. 63 (relating to child protective
29 services).

30 (n) Criminal history record information.--Prior to beginning

1 employment with the department, an individual who has direct
2 contact with children shall be required to submit a report of
3 criminal history record information as provided for in section
4 111. This subsection shall also apply to an individual who
5 volunteers to work on a full-time or part-time basis at a
6 persistently low-achieving school.

7 (o) Child abuse clearance.--An applicant for a position as a
8 school employee with the department shall be required to submit
9 the official statement regarding child injury or abuse from the
10 Department of Human Services as provided in 23 Pa.C.S. Ch. 63.
11 This subsection shall also apply to any individual who
12 volunteers to work on a full-time or part-time basis at the
13 persistently low-achieving school.

14 Section 613-C. Student enrollment.

15 Any student eligible under this section has the right to
16 attend the school designated under section 603-C for which the
17 student is eligible, notwithstanding any other provision of law
18 to the contrary.

19 Section 614-C. Oversight.

20 (a) Report.--Annually, the department shall submit a written
21 report to the Governor and the presiding officers of the Senate
22 and the House of Representatives. The report shall include:

23 (1) A listing and description of the status, including
24 academic performance, of each school whose jurisdiction has
25 been transferred to the department since the submittal of the
26 preceding report.

27 (2) A justification for each school determined to be an
28 eligible school that is not transferred to the department.

29 (b) Limitation.--The department may not expand the total
30 number of schools permitted under its jurisdiction in section

1 605-C(b) without legislative authorization.

2 SECTION 615-C. PROHIBITION.

<--

3 THE SECRETARY MAY NOT DESIGNATE ANY MORE SCHOOLS UNDER
4 SECTION 603-C AFTER MAKING DESIGNATIONS IN THE 2018-2019 SCHOOL
5 YEAR.

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

7 Section 731.2. Posting of Information by Department.--No
8 later than February 1, 2016, and every ninety (90) days
9 thereafter, the Department of Education shall post and update on
10 its publicly accessible Internet website in a searchable and
11 sortable format the following information related to public
12 school construction and reconstruction projects, building
13 purchases and lease reimbursements submitted for the approval
14 of, or approved by, the department:

15 (1) The type of project, elementary school, middle school,
16 intermediate school, high school, charter school or vocational
17 technical school by school entity.

18 (2) The scope of project, new construction, renovation,
19 addition, purchase or lease.

20 (3) The date of receipt of each application.

21 (4) The date of department approval of each application.

22 (5) The date of approval or denial of any waiver or
23 exception granted by the department.

24 (6) The reason for approval or denial of any waiver or
25 exception granted by the department.

26 (7) The date of submission of the application for each step
27 of the reimbursement process.

28 (8) The date of approval of the application for each step of
29 the reimbursement process.

30 (9) The anticipated total project cost.

1 (10) Whether the project reached the maximum reimbursable
2 project amount.

3 (11) The anticipated term of State reimbursement.

4 (12) The anticipated total reimbursement amount.

5 (13) The temporary reimbursable percentage.

6 (14) The permanent reimbursable percentage.

7 (15) The dates of expected State payments.

8 (16) The dates of expected school district payments.

9 (17) Whether the project was financed by cash.

10 (18) The date a project was voided, if applicable.

11 (19) A summary of the terms of the project's debt service or
12 lease.

13 (20) An analysis of the callability of the project's debt
14 service.

15 Section 5. Section 732.1 of the act is amended by adding a
16 subsection to read:

17 Section 732.1. Limitation on New Applications for Department
18 of Education Approval of Public School Building Projects.--* * *

19 (c) For the 2015-2016 and 2016-2017 school years, the
20 Department of Education shall not accept or approve new building
21 construction or reconstruction project applications. Completed
22 school building construction or reconstruction project
23 applications received by the Department of Education by January
24 15, 2016, are not subject to this subsection.

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

26 Section 732.3. Public School Building Construction and
27 Reconstruction Advisory Committee.--(a) There is hereby
28 established an advisory committee.

29 (b) The committee shall review and make findings and
30 recommendations related to the program for State reimbursement

1 for construction and reconstruction and lease of public school
2 buildings.

3 (c) The advisory committee shall consist of the following:

4 (1) The Secretary of Education or a designee.

5 (2) ~~(Reserved)~~. A MEMBER CHOSEN JOINTLY BY THE PRESIDENT PRO <--
6 TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
7 REPRESENTATIVES.

8 (3) A representative from the following:

9 (i) The Pennsylvania Association of School Business
10 Officials.

11 (ii) The Pennsylvania School Boards Association.

12 (4) The chairman and minority chairman of the Appropriations
13 Committee and Education Committee of the Senate and the chairman
14 and minority chairman of the Appropriations Committee and
15 Education Committee of the House of Representatives.

16 (5) One member appointed by the President pro tempore of the
17 Senate.

18 (6) One member appointed by the Minority Leader of the
19 Senate.

20 (7) One member appointed by the Speaker of the House of
21 Representatives.

22 (8) One member appointed by the Minority Leader of the House
23 of Representatives.

24 (d) The committee shall hold its first meeting within thirty
25 (30) days of the effective date of this section regardless of
26 whether all of the committee members have been appointed to the
27 committee. At the first meeting, the Department of Education
28 shall present its report relating to the Statewide analysis of
29 school facilities and capital needs as required under section
30 732.1.

1 (e) The committee shall appoint a member to serve as
2 chairman of the committee.

3 (f) The committee shall hold meetings at the call of the
4 chairman.

5 (g) The members may not receive compensation for their
6 services, but shall be reimbursed for all necessary travel and
7 other reasonable expenses incurred in connection with the
8 performance of their duties as members of the committee.

9 (h) The General Assembly shall provide administrative
10 support, meeting space and any other assistance required by the
11 committee to carry out its duties under this section in
12 cooperation with the department. The department shall provide
13 the committee with data, research and other information upon
14 request.

15 (i) The committee shall issue a report not later than
16 November 1, 2016, of the committee's findings to the Governor,
17 the President pro tempore of the Senate, the Majority Leader and
18 Minority Leader of the Senate, the Appropriations Committee and
19 Education Committee of the Senate, the Speaker of the House of
20 Representatives, the Majority Leader and Minority Leader of the
21 House of Representatives, the Appropriations Committee and
22 Education Committee of the House of Representatives and the
23 Secretary of Education.

24 Section 7. Section 1154(c) of the act, amended December 22,
25 1965 (P.L.1180, No.467), is amended to read:

26 Section 1154. Payment of Salaries in Cases of Sickness,
27 Injury or Death.--* * *

28 (c) Whenever a professional or temporary professional
29 employe is absent because of the death of a near relative, there
30 shall be no deduction in the salary of said employe for absence

1 on the day of the funeral. The board of school directors may
2 extend the period of absence with pay in its discretion as the
3 exigencies of the case may warrant. A near relative shall be
4 defined as a first cousin, grandfather, grandmother, grandchild,
5 aunt, uncle, niece, nephew, son-in-law, daughter-in-law,
6 brother-in-law or sister-in-law.

7 * * *

8 Section 7.1. Section 1204 of the act, amended October 21,
9 1965 (P.L.601, No.312), is amended to read:

10 Section 1204. Granting Provisional College Certificates.--
11 The [Superintendent of Public Instruction] Secretary of
12 Education may grant a provisional college certificate to every
13 person who presents to [him] the Department of Education
14 satisfactory evidence of good moral character, and of being a
15 graduate of an approved college or university, who has completed
16 such work in education as may be required by the standards of
17 the State Board of Education, and to every person who presents
18 to [him] the Department of Education satisfactory evidence of
19 good moral character, and of being a graduate of music, with the
20 degree of bachelor of music of an approved college or
21 university, who has during such musical course completed the
22 prescribed number of hours of professional studies, which
23 certificate shall entitle [him] the individual to teach for
24 three annual school terms, and may be renewed for one additional
25 three-year period in accordance with standards to be established
26 by the State Board of Education.

27 Section 7.2. The act is amended by adding a section to read:

28 Section 1204.2. Provisional Vocational Education
29 Certificate.--The Secretary of Education may grant a provisional
30 vocational education certificate to every person who presents to

1 the Department of Education satisfactory evidence of good moral
2 character, and who has completed such work in vocational
3 education as may be required by the standards of the State Board
4 of Education, which certificate shall entitle the individual to
5 teach for eight annual school terms.

6 Section 8. Section 1372(8) of the act, added May 10, 2000
7 (P.L.44, No.16), is amended to read:

8 Section 1372. Exceptional Children; Education and
9 Training.--* * *

10 (8) Reporting of Expenditures Relating to Exceptional
11 Students.

12 (i) By December 31, 2000, and each year thereafter, each
13 school district shall compile information listing the number of
14 students with disabilities for which expenditures are between
15 twenty-five thousand dollars (\$25,000) and fifty thousand
16 dollars (\$50,000), which shall be known as Category 2; between
17 fifty thousand dollars (\$50,000) and seventy-five thousand
18 dollars (\$75,000), which shall be known as Category 3A; and over
19 seventy-five thousand dollars (\$75,000), which shall be known as
20 Category 3B, for the prior school year. The information shall be
21 submitted to the department in a form prescribed by the
22 department. By February 1, 2001, and each year thereafter, the
23 department shall submit to the chairman and minority chairman of
24 the Education and Appropriations Committees of the Senate and
25 the chairman and minority chairman of the Education and
26 Appropriations Committees of the House of Representatives a
27 report listing this information by school district.

28 (ii) By December 31, 2015, and each year thereafter, each
29 school district shall compile information listing the number of
30 students with disabilities for which expenditures are under

1 twenty-five thousand dollars (\$25,000), which shall be known as
2 Category 1. The information shall be submitted to the department
3 in a form prescribed by the department.

4 (iii) Beginning with the 2015-2016 school year, the
5 department shall annually adjust the dollar ranges for which the
6 information is collected under this section by the percent
7 change in the Consumer Price Index for All Urban Consumers for
8 the Pennsylvania, New Jersey, Delaware and Maryland area
9 reported by the Bureau of Labor Statistics for the twelve (12)
10 month period ending in December of the school year for which the
11 data is being collected.

12 Section 9. Section 1376 of the act is amended by adding a
13 subsection to read:

14 Section 1376. Cost of Tuition and Maintenance of Certain
15 Exceptional Children in Approved Institutions.--* * *

16 (c.9) For the 2015-2016 school year, the amount available in
17 the appropriation after subtracting the amount determined to be
18 the Commonwealth's share under subsection (a) and any amounts
19 provided to a new approved private school shall be distributed
20 on a pro rata basis based on the allocation determined in
21 subsection (a.2) and shall be considered part of the base
22 allocation in subsection (a.2).

23 * * *

24 ~~Section 10. Section 1401 of the act is amended by adding~~ <--
25 ~~clauses to read:~~

26 ~~Section 1401. Definitions. As used in this article~~

27 ~~* * *~~

28 ~~(13) "Diabetes medical management plan" means a document~~
29 ~~describing the medical orders or diabetes regimen developed and~~
30 ~~signed by the student's health care practitioner and parent or~~

1 ~~guardian.~~

2 ~~(14) "Service agreement" means a student's section 504~~
3 ~~service agreement pursuant to section 504 of the Rehabilitation~~
4 ~~Act of 1973 (Public Law 93 112, 29 U.S.C. § 794), the~~
5 ~~Individuals with Disabilities Education Act (Public Law 91 230,~~
6 ~~20 U.S.C. § 136 et seq.) and 22 Pa. Code Chs. 14 (relating to~~
7 ~~special education services and programs) and 15 (relating to~~
8 ~~protected handicapped students).~~

9 ~~(15) "Health care practitioner" means the term as defined~~
10 ~~under section 103 of the act of July 19, 1979 (P.L.130, No.48),~~
11 ~~known as the Health Care Facilities Act.~~

12 Section 11. The act is amended by adding sections to read:

13 ~~Section 1414.3. Education of School Employes in Diabetes~~
14 ~~Care and Management. (a) Within one hundred twenty (120) days~~
15 ~~of the effective date of this section, the Department of Health,~~
16 ~~in coordination with the Department of Education, shall~~
17 ~~establish educational modules and guidelines for the instruction~~
18 ~~of school employes in diabetes care and treatment and make them~~
19 ~~available on its publicly accessible Internet website. The~~
20 ~~educational modules shall include, but not be limited to,~~
21 ~~instruction in a school entity's obligations under 22 Pa. Code §~~
22 ~~12.41 (relating to student services) and its responsibilities to~~
23 ~~comply with section 504 of the Rehabilitation Act of 1973~~
24 ~~(Public Law 93 112, 29 U.S.C. § 794), the Individuals with~~
25 ~~Disabilities Education Act (Public Law 91 230, 20 U.S.C. § 136~~
26 ~~et seq.) and 22 Pa. Code Chs. 14 (relating to special education~~
27 ~~services and programs) and 15 (relating to protected handicapped~~
28 ~~students). At a minimum, the educational modules shall include~~
29 ~~instruction in:~~

30 ~~(1) An overview of all types of diabetes.~~

1 ~~(2) Means of monitoring blood glucose.~~

2 ~~(3) The symptoms and treatment for blood glucose levels~~
3 ~~outside of target ranges as well as hypoglycemia, hyperglycemia~~
4 ~~and other potential emergencies.~~

5 ~~(4) Techniques on administering glucagon in a hypoglycemic~~
6 ~~emergency.~~

7 ~~(b) The school nurse, in consultation with the chief school~~
8 ~~administrator or designee, may identify at least one school~~
9 ~~employe in the school building who is not the school nurse and~~
10 ~~who does not need to be a licensed health care practitioner, to~~
11 ~~assume responsibility for the care and treatment of students~~
12 ~~with diabetes when a school nurse is not available to perform~~
13 ~~this function. An identified employe shall complete the annual~~
14 ~~educational modules outlined in subsection (a) or annual~~
15 ~~education offered by a licensed health care practitioner with~~
16 ~~expertise in the care and treatment of diabetes that includes~~
17 ~~substantially the same information as outlined in subsection~~
18 ~~(a). The student's parent or guardian shall be a resource for~~
19 ~~that student's care and treatment. An employe identified as the~~
20 ~~individual responsible for care and treatment of a student with~~
21 ~~diabetes in the absence of the school nurse shall have the right~~
22 ~~to decline such responsibility and any directives relating~~
23 ~~thereto.~~

24 ~~(c) A school employe who is not a licensed health care~~
25 ~~practitioner and who has successfully completed the education~~
26 ~~modules under subsection (a) or annual education offered by a~~
27 ~~licensed health care practitioner with expertise in the care and~~
28 ~~treatment of diabetes that includes substantially the same~~
29 ~~information as outlined in subsection (a) may be designated in a~~
30 ~~student's service agreement to administer glucagon and operate~~

~~1 monitoring equipment and provide other diabetes care. A school
2 entity may require the designated employe who has not declined
3 the assignment to complete the annual educational modules or
4 annual education from a licensed health care practitioner, or
5 both, in the administration of glucagon and the operation of
6 monitoring equipment and provision of other diabetes care.
7 Education provided to school employes shall be coordinated by
8 the chief school administrator or a designee. School entities
9 may include the education in the professional education plan
10 submitted by the school entity to the Department of Education
11 under section 1205.1.~~

~~12 (d) Notwithstanding any other statute or regulation
13 restricting the functions that may be performed by persons other
14 than licensed health care practitioners, school employes who
15 have completed the education requirements under this section may
16 perform diabetes care and treatment for students. School
17 employes who are not licensed health care practitioners shall
18 only be authorized to administer glucagon following annual
19 education by a licensed health care practitioner with expertise
20 in the care of diabetes, and following the school's receipt of
21 written authorization from both the student's health care
22 practitioner and parent or guardian that an educated school
23 employe, who is not a licensed health care practitioner, may
24 administer glucagon.~~

~~25 (e) For purposes of this section, "school entity" means a
26 school district, intermediate unit, area vocational technical
27 school, charter school or cyber charter school.~~

~~28 Section 1414.4. Diabetes Care in Schools. (a) A parent or
29 guardian of a student with diabetes who desires that the student
30 receive diabetes related care and treatment in a school setting~~

1 ~~shall provide the school entity with written authorization for~~
2 ~~the care and instructions from the student's health care~~
3 ~~practitioner, consistent with the school entity's policies~~
4 ~~regarding the provision of school health services. The required~~
5 ~~authorizations may be submitted as part of a diabetes medical~~
6 ~~management plan.~~

7 ~~(b) All diabetes related care provided to students shall be~~
8 ~~consistent with the school health program established by the~~
9 ~~governing body of the school entity and any accommodations~~
10 ~~outlined in a student's service agreement.~~

11 ~~(c) A student's service agreement may require a school~~
12 ~~entity to provide the driver of a school bus or school vehicle,~~
13 ~~who provides transportation to a student with diabetes, with an~~
14 ~~information sheet that:~~

15 ~~(1) Identifies the student with diabetes.~~

16 ~~(2) Identifies potential emergencies that may occur as a~~
17 ~~result of the student's diabetes and the appropriate responses~~
18 ~~to such emergencies.~~

19 ~~(3) Provides the telephone number of a contact person in~~
20 ~~case of an emergency involving the student with diabetes.~~

21 ~~(d) For purposes of this section:~~

22 ~~"School bus" means a school bus as defined in 75 Pa.C.S. §~~
23 ~~102 (relating to definitions).~~

24 ~~"School entity" means a school district, intermediate unit,~~
25 ~~area vocational technical school, charter school or cyber~~
26 ~~charter school.~~

27 ~~"School vehicle" means a school vehicle as defined in 75~~
28 ~~Pa.C.S. § 102.~~

29 ~~Section 1414.5. Possession and Use of Diabetes Medication~~
30 ~~and Monitoring Equipment. (a) A school entity shall require~~

~~1 the parent or guardian of a student with diabetes who requests
2 that the student possess and self administer diabetes medication
3 and operate monitoring equipment in a school setting to provide
4 the following:~~

~~5 (1) A written statement from the student's health care
6 practitioner that provides the name of the drug, the dose, the
7 times when the medication is to be taken or the monitoring
8 equipment to be used, the specified time period for which the
9 medication or monitoring equipment is authorized to be used and
10 the diagnosis or reason the medicine or monitoring equipment is
11 needed. The student's health care practitioner shall indicate
12 the potential of any serious reaction to the medication that may
13 occur, as well as any necessary emergency response. The
14 student's health care practitioner shall state whether the
15 student is competent to self administer the medication or
16 monitoring equipment and whether the student is able to practice
17 proper safety precautions for the handling and disposal of the
18 medication and monitoring equipment.~~

~~19 (2) A written request from the parent or guardian that the
20 school entity comply with the instructions of the student's
21 health care practitioner. The parent's request shall include a
22 statement relieving the school entity and any school employe of
23 any responsibility for the prescribed medication or monitoring
24 equipment and acknowledging that the school entity bears no
25 responsibility for ensuring that the medication is taken by the
26 student and the monitoring equipment is used.~~

~~27 (3) A written acknowledgment by the student that the student
28 has received instruction from the student's health care
29 practitioner on proper safety precautions for the handling and
30 disposal of the medications and monitoring equipment. The~~

1 ~~written acknowledgment shall also contain a provision stating~~
2 ~~that the student will not allow other students to have access to~~
3 ~~the medication and monitoring equipment and that the student~~
4 ~~understands appropriate safeguards.~~

5 ~~(b) After the written acknowledgment in subsection (a) is~~
6 ~~completed, the student shall demonstrate competency to the~~
7 ~~school nurse that the student is capable of self administration~~
8 ~~of the medication and use of the monitoring equipment.~~

9 ~~(c) A school entity may revoke or restrict a student's~~
10 ~~privileges to possess and self administer diabetes medication~~
11 ~~and monitoring equipment due to noncompliance with school rules~~
12 ~~and provisions of a student's service agreement or due to~~
13 ~~demonstrated unwillingness or inability of the student to~~
14 ~~safeguard the medication and monitoring equipment from access by~~
15 ~~other students.~~

16 ~~(d) A school entity that prohibits a student from possessing~~
17 ~~and self administering diabetes medication and operating~~
18 ~~monitoring equipment pursuant to subsection (b) shall ensure~~
19 ~~that the diabetes medication or monitoring equipment is~~
20 ~~appropriately stored in a readily accessible place in the school~~
21 ~~building attended by the student. The school entity shall notify~~
22 ~~the school nurse and other identified appropriate school~~
23 ~~employees regarding the location of the diabetes medication and~~
24 ~~monitoring equipment and means to access them.~~

25 ~~(e) For purposes of this section, "school entity" means a~~
26 ~~school district, intermediate unit, area vocational technical~~
27 ~~school, charter school or cyber charter school.~~

28 ~~Section 1414.6. Liability. Nothing in sections 1414.3,~~
29 ~~1414.4 or 1414.5 shall be construed to create, establish or~~
30 ~~expand any civil liability on the part of any school entity or~~

1 ~~school employe.~~

2 ~~Section 1414.7. Coordinating, Supervising or Educating Not~~
3 ~~Considered Delegation. (a) Notwithstanding any other law to~~
4 ~~the contrary, coordinating or supervising the provision of~~
5 ~~diabetes care by school employes authorized in sections 1414.3~~
6 ~~and 1414.4 and providing education in accordance with section~~
7 ~~1414.3 shall not be construed as a delegation by a licensed~~
8 ~~health care practitioner.~~

9 ~~(b) A licensed health care practitioner who, acting in~~
10 ~~compliance with sections 1414.3 and 1414.4, coordinates or~~
11 ~~supervises care for a student or provides education to a school~~
12 ~~employe shall not be subject to any criminal or civil liability~~
13 ~~or any professional disciplinary action for such coordination,~~
14 ~~supervision or education.~~

15 ~~Section 1414.8. Diabetes Care in Nonpublic Schools. (a) A~~
16 ~~nonpublic school may comply with the education of school~~
17 ~~employes and provision of diabetes related care to a student~~
18 ~~with diabetes required under sections 1414.3, 1414.4 and 1414.5.~~
19 ~~A written education plan that outlines the aids and related~~
20 ~~services required to meet the academic needs of the student with~~
21 ~~diabetes may take the place of a service agreement for a student~~
22 ~~with diabetes attending a nonpublic school unless a service~~
23 ~~agreement is otherwise required under law or regulation.~~

24 ~~(b) Nothing in section 1414.3, 1414.4, 1414.5, 1414.6 or~~
25 ~~this section shall be construed to do any of the following:~~

26 ~~(1) Create, establish or expand any obligations on the part~~
27 ~~of any nonpublic school to comply with section 504 of the~~
28 ~~Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 794).~~

29 ~~(2) Create, establish, result in or expand any contractual~~
30 ~~obligations on the part of any nonpublic school.~~

1 ~~(c) No nonpublic school employe or nonpublic school shall be~~
2 ~~liable for civil damages as a result of the activities~~
3 ~~authorized by sections 1414.3, 1414.4 and 1414.5, except that an~~
4 ~~employe may be liable for willful misconduct.~~

5 SECTION 10. SECTION 1401 OF THE ACT IS AMENDED BY ADDING <--
6 CLAUSES TO READ:

7 SECTION 1401. DEFINITIONS.--AS USED IN THIS ARTICLE--

8 * * *

9 (13) "DIABETES MEDICAL MANAGEMENT PLAN" MEANS A DOCUMENT
10 DESCRIBING THE MEDICAL ORDERS OR DIABETES REGIMEN DEVELOPED AND
11 SIGNED BY THE STUDENT'S HEALTH CARE PRACTITIONER AND PARENT OR
12 GUARDIAN.

13 (14) "SERVICE AGREEMENT" MEANS A STUDENT'S SECTION 504
14 SERVICE AGREEMENT PURSUANT TO SECTION 504 OF THE REHABILITATION
15 ACT OF 1973 (PUBLIC LAW 93-112, 29 U.S.C. § 794) AND 22 PA. CODE
16 CH. 15 (RELATING TO PROTECTED HANDICAPPED STUDENTS).

17 (15) "HEALTH CARE PRACTITIONER" MEANS THE TERM AS DEFINED
18 UNDER SECTION 103 OF THE ACT OF JULY 19, 1979 (P.L.130, NO.48),
19 KNOWN AS THE HEALTH CARE FACILITIES ACT.

20 (16) "IEP" MEANS A WRITTEN STATEMENT FOR EACH CHILD WITH A
21 DISABILITY THAT IS DEVELOPED, REVIEWED OR REVISED IN A MEETING
22 IN ACCORDANCE WITH THE INDIVIDUALS WITH DISABILITIES EDUCATION
23 ACT (PUBLIC LAW 91-230, 20 U.S.C. § 1400 ET SEQ.) AND 22 PA.
24 CODE CH. 14 (RELATING TO SPECIAL EDUCATION SERVICES AND
25 PROGRAMS).

26 SECTION 11. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

27 SECTION 1414.3. EDUCATION OF SCHOOL EMPLOYES IN DIABETES
28 CARE AND MANAGEMENT.--(A) WITHIN ONE HUNDRED TWENTY (120) DAYS
29 OF THE EFFECTIVE DATE OF THIS SECTION, THE DEPARTMENT OF HEALTH,
30 IN COORDINATION WITH THE DEPARTMENT OF EDUCATION, SHALL

1 ESTABLISH EDUCATIONAL MODULES AND GUIDELINES FOR THE INSTRUCTION
2 OF SCHOOL EMPLOYES IN DIABETES CARE AND TREATMENT AND MAKE THE
3 MODULES AND GUIDELINES AVAILABLE ON ITS PUBLICLY ACCESSIBLE
4 INTERNET WEBSITE. THE EDUCATIONAL MODULES SHALL INCLUDE
5 INSTRUCTION IN A SCHOOL ENTITY'S OBLIGATIONS UNDER 22 PA. CODE §
6 12.41 (RELATING TO STUDENT SERVICES) AND ITS RESPONSIBILITIES TO
7 COMPLY WITH SECTION 504 OF THE REHABILITATION ACT OF 1973
8 (PUBLIC LAW 93-112, 29 U.S.C. § 794), 22 PA. CODE CHS. 14
9 (RELATING TO SPECIAL EDUCATION SERVICES AND PROGRAMS) AND 15
10 (RELATING TO PROTECTED HANDICAPPED STUDENTS) AND THE INDIVIDUALS
11 WITH DISABILITIES EDUCATION ACT (PUBLIC LAW 91-230, 20 U.S.C. §
12 1400 ET SEQ.). AT A MINIMUM, THE EDUCATIONAL MODULES SHALL
13 INCLUDE REVIEW OF THE RESPONSIBILITIES AND INSTRUCTION IN:
14 (1) AN OVERVIEW OF ALL TYPES OF DIABETES.
15 (2) MEANS OF MONITORING BLOOD GLUCOSE.
16 (3) THE SYMPTOMS AND TREATMENT FOR BLOOD GLUCOSE LEVELS
17 OUTSIDE OF TARGET RANGES AS WELL AS SYMPTOMS AND TREATMENT FOR
18 HYPOGLYCEMIA, HYPERGLYCEMIA AND OTHER POTENTIAL EMERGENCIES.
19 (4) TECHNIQUES ON ADMINISTERING GLUCAGON AND INSULIN.
20 (B) THE SCHOOL NURSE, IN CONSULTATION WITH THE CHIEF SCHOOL
21 ADMINISTRATOR OR A DESIGNEE, MAY IDENTIFY AT LEAST ONE SCHOOL
22 EMPLOYE WHO IS NOT THE SCHOOL NURSE AND WHO DOES NOT NEED TO BE
23 A LICENSED HEALTH CARE PRACTITIONER IN EACH SCHOOL BUILDING
24 ATTENDED BY A STUDENT WITH DIABETES. IF THE SCHOOL BUILDING
25 ATTENDED BY A STUDENT WITH DIABETES DOES NOT HAVE A FULL-TIME
26 SCHOOL NURSE, THE CHIEF SCHOOL ADMINISTRATOR MAY, BUT IS NOT
27 REQUIRED TO, CONSULT WITH THE SCHOOL NURSE ASSIGNED TO THAT
28 SCHOOL BUILDING TO IDENTIFY AT LEAST ONE SCHOOL EMPLOYE IN THE
29 SCHOOL BUILDING. AN IDENTIFIED EMPLOYE SHALL COMPLETE THE ANNUAL
30 EDUCATIONAL MODULES OUTLINED IN SUBSECTION (A) OR ANNUAL

1 EDUCATION OFFERED BY A LICENSED HEALTH CARE PRACTITIONER WITH
2 EXPERTISE IN THE CARE AND TREATMENT OF DIABETES THAT INCLUDES
3 SUBSTANTIALLY THE SAME INFORMATION AS OUTLINED IN SUBSECTION
4 (A). AN EMPLOYE RESPONSIBLE FOR A CHILD WITH DIABETES IN THE
5 ABSENCE OF THE SCHOOL NURSE SHALL HAVE THE RIGHT TO DECLINE THE
6 RESPONSIBILITY AND RELATED DIRECTIVES.

7 (C) A SCHOOL EMPLOYE WHO IS NOT A LICENSED HEALTH CARE
8 PRACTITIONER AND WHO HAS SUCCESSFULLY COMPLETED THE EDUCATION
9 MODULES UNDER SUBSECTION (A) OR ANNUAL EDUCATION OFFERED BY A
10 LICENSED HEALTH CARE PRACTITIONER WITH EXPERTISE IN THE CARE AND
11 TREATMENT OF DIABETES THAT INCLUDES SUBSTANTIALLY THE SAME
12 INFORMATION AS OUTLINED IN SUBSECTION (A) MAY BE DESIGNATED IN A
13 STUDENT'S SERVICE AGREEMENT OR IEP TO ADMINISTER DIABETES
14 MEDICATIONS, USE MONITORING EQUIPMENT AND PROVIDE OTHER DIABETES
15 CARE. A SCHOOL ENTITY MAY REQUIRE THE DESIGNATED EMPLOYE WHO HAS
16 NOT DECLINED THE ASSIGNMENT, TO COMPLETE THE ANNUAL EDUCATIONAL
17 MODULES OR ANNUAL EDUCATION FROM A LICENSED HEALTH CARE
18 PRACTITIONER, OR BOTH, IN THE ADMINISTRATION OF DIABETES
19 MEDICATIONS, USE OF MONITORING EQUIPMENT AND PROVISION OF OTHER
20 DIABETES CARE. EDUCATION PROVIDED TO SCHOOL EMPLOYES SHALL BE
21 COORDINATED BY THE CHIEF SCHOOL ADMINISTRATOR OR A DESIGNEE.
22 SCHOOL ENTITIES MAY INCLUDE THE EDUCATION IN THE PROFESSIONAL
23 EDUCATION PLAN SUBMITTED BY THE SCHOOL ENTITY TO THE DEPARTMENT
24 OF EDUCATION UNDER SECTION 1205.1.

25 (D) NOTWITHSTANDING ANY OTHER STATUTE OR REGULATION
26 RESTRICTING THE FUNCTIONS THAT MAY BE PERFORMED BY PERSONS OTHER
27 THAN LICENSED HEALTH CARE PRACTITIONERS, SCHOOL EMPLOYES WHO
28 HAVE COMPLETED THE EDUCATION REQUIREMENTS UNDER THIS SECTION MAY
29 PERFORM DIABETES CARE AND TREATMENT FOR STUDENTS. SCHOOL
30 EMPLOYES WHO ARE NOT LICENSED HEALTH CARE PRACTITIONERS SHALL

1 ONLY BE AUTHORIZED TO ADMINISTER DIABETES MEDICATIONS VIA
2 INJECTION OR INFUSION FOLLOWING ANNUAL EDUCATION BY A LICENSED
3 HEALTH CARE PRACTITIONER WITH EXPERTISE IN THE CARE AND
4 TREATMENT OF DIABETES, AND FOLLOWING THE SCHOOL ENTITY'S RECEIPT
5 OF WRITTEN AUTHORIZATION FROM BOTH THE STUDENT'S HEALTH CARE
6 PRACTITIONER AND PARENT OR GUARDIAN THAT AN EDUCATED SCHOOL
7 EMPLOYEE, WHO IS NOT A LICENSED HEALTH CARE PRACTITIONER, MAY
8 ADMINISTER SPECIFIED MEDICATIONS.

9 (E) FOR PURPOSES OF THIS SECTION, "SCHOOL ENTITY" MEANS A
10 SCHOOL DISTRICT, INTERMEDIATE UNIT, AREA VOCATIONAL-TECHNICAL
11 SCHOOL, CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

12 SECTION 1414.4. DIABETES CARE IN SCHOOLS.--(A) A PARENT OR
13 GUARDIAN OF A STUDENT WITH DIABETES WHO DESIRES THAT THE STUDENT
14 RECEIVE DIABETES-RELATED CARE AND TREATMENT IN A SCHOOL SETTING
15 SHALL PROVIDE THE SCHOOL ENTITY WITH WRITTEN AUTHORIZATION FOR
16 THE CARE AND INSTRUCTIONS FROM THE STUDENT'S HEALTH CARE
17 PRACTITIONER, CONSISTENT WITH THE SCHOOL ENTITY'S POLICIES
18 REGARDING THE PROVISION OF SCHOOL HEALTH SERVICES. THE REQUIRED
19 AUTHORIZATIONS MAY BE SUBMITTED AS PART OF A DIABETES MEDICAL
20 MANAGEMENT PLAN.

21 (B) ALL DIABETES-RELATED CARE PROVIDED TO STUDENTS SHALL BE
22 CONSISTENT WITH THE SCHOOL HEALTH PROGRAM ESTABLISHED BY THE
23 GOVERNING BODY OF THE SCHOOL ENTITY AND ANY ACCOMMODATIONS
24 OUTLINED IN A STUDENT'S SERVICE AGREEMENT.

25 (C) A STUDENT'S SERVICE AGREEMENT MAY REQUIRE A SCHOOL
26 ENTITY TO PROVIDE THE DRIVER OF A SCHOOL BUS OR SCHOOL VEHICLE,
27 WHO PROVIDES TRANSPORTATION TO A STUDENT WITH DIABETES, WITH AN
28 INFORMATION SHEET THAT:

29 (1) IDENTIFIES THE STUDENT WITH DIABETES.

30 (2) IDENTIFIES POTENTIAL EMERGENCIES THAT MAY OCCUR AS A

1 RESULT OF THE STUDENT'S DIABETES AND THE APPROPRIATE RESPONSES
2 TO SUCH EMERGENCIES.

3 (3) PROVIDES THE TELEPHONE NUMBER OF A CONTACT PERSON IN
4 CASE OF AN EMERGENCY INVOLVING THE STUDENT WITH DIABETES.

5 (D) FOR PURPOSES OF THIS SECTION:

6 "SCHOOL BUS" MEANS A SCHOOL BUS AS DEFINED IN 75 PA.C.S. §
7 102 (RELATING TO DEFINITIONS).

8 "SCHOOL ENTITY" MEANS A SCHOOL DISTRICT, INTERMEDIATE UNIT,
9 AREA VOCATIONAL-TECHNICAL SCHOOL, CHARTER SCHOOL OR CYBER
10 CHARTER SCHOOL.

11 "SCHOOL VEHICLE" MEANS A SCHOOL VEHICLE AS DEFINED IN 75
12 PA.C.S. § 102.

13 SECTION 1414.5. POSSESSION AND USE OF DIABETES MEDICATION
14 AND MONITORING EQUIPMENT.-- (A) A SCHOOL ENTITY SHALL REQUIRE
15 THE PARENT OR GUARDIAN OF A STUDENT WITH DIABETES WHO REQUESTS
16 THAT THE STUDENT POSSESS AND SELF-ADMINISTER DIABETES MEDICATION
17 AND OPERATE MONITORING EQUIPMENT IN A SCHOOL SETTING TO PROVIDE
18 THE FOLLOWING:

19 (1) A WRITTEN STATEMENT FROM THE STUDENT'S HEALTH CARE
20 PRACTITIONER THAT PROVIDES THE NAME OF THE DRUG, THE DOSE, THE
21 TIMES WHEN THE MEDICATION IS TO BE TAKEN OR THE MONITORING
22 EQUIPMENT TO BE USED, THE SPECIFIED TIME PERIOD FOR WHICH THE
23 MEDICATION OR MONITORING EQUIPMENT IS AUTHORIZED TO BE USED AND
24 THE DIAGNOSIS OR REASON THE MEDICINE OR MONITORING EQUIPMENT IS
25 NEEDED. THE STUDENT'S HEALTH CARE PRACTITIONER SHALL INDICATE
26 THE POTENTIAL OF ANY SERIOUS REACTION TO THE MEDICATION THAT MAY
27 OCCUR, AS WELL AS ANY NECESSARY EMERGENCY RESPONSE. THE
28 STUDENT'S HEALTH CARE PRACTITIONER SHALL STATE WHETHER THE
29 STUDENT IS COMPETENT TO SELF-ADMINISTER THE MEDICATION OR
30 MONITORING EQUIPMENT AND WHETHER THE STUDENT IS ABLE TO PRACTICE

1 PROPER SAFETY PRECAUTIONS FOR THE HANDLING AND DISPOSAL OF THE
2 MEDICATION AND MONITORING EQUIPMENT.

3 (2) A WRITTEN REQUEST FROM THE PARENT OR GUARDIAN THAT THE
4 SCHOOL ENTITY COMPLY WITH THE INSTRUCTIONS OF THE STUDENT'S
5 HEALTH CARE PRACTITIONER. THE PARENT'S REQUEST SHALL INCLUDE A
6 STATEMENT RELIEVING THE SCHOOL ENTITY OR ANY SCHOOL EMPLOYE OF
7 ANY RESPONSIBILITY FOR THE PRESCRIBED MEDICATION OR MONITORING
8 EQUIPMENT AND ACKNOWLEDGING THAT THE SCHOOL ENTITY BEARS NO
9 RESPONSIBILITY FOR ENSURING THAT THE MEDICATION IS TAKEN BY THE
10 STUDENT AND THE MONITORING EQUIPMENT IS USED.

11 (3) A WRITTEN ACKNOWLEDGMENT BY THE SCHOOL NURSE THAT THE
12 STUDENT HAS DEMONSTRATED THAT THE STUDENT IS CAPABLE OF SELF-
13 ADMINISTRATION OF THE MEDICATION AND USE OF THE MONITORING
14 EQUIPMENT.

15 (4) A WRITTEN ACKNOWLEDGMENT BY THE STUDENT THAT THE STUDENT
16 HAS RECEIVED INSTRUCTION FROM THE STUDENT'S HEALTH CARE
17 PRACTITIONER ON PROPER SAFETY PRECAUTIONS FOR THE HANDLING AND
18 DISPOSAL OF THE MEDICATIONS AND MONITORING EQUIPMENT. THE
19 WRITTEN ACKNOWLEDGMENT SHALL ALSO CONTAIN A PROVISION STATING
20 THAT THE STUDENT WILL NOT ALLOW OTHER STUDENTS TO HAVE ACCESS TO
21 THE MEDICATION AND MONITORING EQUIPMENT AND THAT THE STUDENT
22 UNDERSTANDS APPROPRIATE SAFEGUARDS.

23 (B) A SCHOOL ENTITY MAY REVOKE OR RESTRICT A STUDENT'S
24 PRIVILEGES TO POSSESS AND SELF-ADMINISTER DIABETES MEDICATION
25 AND OPERATE MONITORING EQUIPMENT DUE TO NONCOMPLIANCE WITH
26 SCHOOL RULES AND PROVISIONS OF A STUDENT'S SERVICE AGREEMENT,
27 IEP OR DUE TO DEMONSTRATED UNWILLINGNESS OR INABILITY OF THE
28 STUDENT TO SAFEGUARD THE MEDICATION AND MONITORING EQUIPMENT
29 FROM ACCESS BY OTHER STUDENTS.

30 (C) A SCHOOL ENTITY THAT PROHIBITS A STUDENT FROM POSSESSING

1 AND SELF-ADMINISTERING DIABETES MEDICATION AND OPERATING
2 MONITORING EQUIPMENT UNDER SUBSECTION (B) SHALL ENSURE THAT THE
3 DIABETES MEDICATION OR MONITORING EQUIPMENT IS APPROPRIATELY
4 STORED IN A READILY ACCESSIBLE PLACE IN THE SCHOOL BUILDING
5 ATTENDED BY THE STUDENT. THE SCHOOL ENTITY SHALL NOTIFY THE
6 SCHOOL NURSE AND OTHER IDENTIFIED SCHOOL EMPLOYEES REGARDING THE
7 LOCATION OF THE DIABETES MEDICATION AND MONITORING EQUIPMENT AND
8 MEANS TO ACCESS THEM.

9 (D) FOR PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL
10 HAVE THE FOLLOWING MEANINGS:

11 "SCHOOL ENTITY" MEANS A SCHOOL DISTRICT, INTERMEDIATE UNIT,
12 AREA VOCATIONAL-TECHNICAL SCHOOL, CHARTER SCHOOL OR CYBER
13 CHARTER SCHOOL.

14 "DIABETES MEDICATION" MEANS GLUCAGON AND INSULIN.

15 SECTION 1414.6. LIABILITY.--NOTHING IN SECTIONS 1414.3,
16 1414.4 OR 1414.5 SHALL BE CONSTRUED TO CREATE, ESTABLISH OR
17 EXPAND ANY CIVIL LIABILITY ON THE PART OF ANY SCHOOL ENTITY OR
18 SCHOOL EMPLOYEE.

19 SECTION 1414.7. COORDINATING, SUPERVISING OR EDUCATING NOT
20 CONSIDERED DELEGATION.--(A) NOTWITHSTANDING ANY OTHER LAW TO
21 THE CONTRARY, COORDINATING OR SUPERVISING THE PROVISION OF
22 DIABETES CARE BY SCHOOL EMPLOYEES AUTHORIZED IN SECTIONS 1414.3
23 AND 1414.4 AND PROVIDING EDUCATION IN ACCORDANCE WITH SECTION
24 1414.3 SHALL NOT BE CONSTRUED AS A DELEGATION BY A LICENSED
25 HEALTH CARE PRACTITIONER.

26 (B) A LICENSED HEALTH CARE PRACTITIONER WHO, ACTING IN
27 COMPLIANCE WITH SECTIONS 1414.3 AND 1414.4, COORDINATES OR
28 SUPERVISES CARE FOR A STUDENT OR PROVIDES EDUCATION TO A SCHOOL
29 EMPLOYEE SHALL NOT BE SUBJECT TO ANY CRIMINAL OR CIVIL LIABILITY
30 OR ANY PROFESSIONAL DISCIPLINARY ACTION FOR THE SAME.

1 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A SCHOOL
2 EMPLOYE WHO IS DESIGNATED TO PROVIDE DIABETES MEDICATIONS TO A
3 STUDENT SHALL NOT BE CONSIDERED TO BE ENGAGING IN HEALTH-RELATED
4 ACTIVITIES WHICH ARE RESERVED EXCLUSIVELY FOR LICENSED
5 PROFESSIONALS.

6 SECTION 1414.8. DIABETES CARE IN NONPUBLIC SCHOOLS.--(A) A
7 NONPUBLIC SCHOOL MAY COMPLY WITH THE EDUCATION OF SCHOOL
8 EMPLOYES AND PROVISION OF DIABETES-RELATED CARE TO A STUDENT
9 WITH DIABETES REQUIRED UNDER SECTIONS 1414.3, 1414.4 AND 1414.5.
10 A WRITTEN EDUCATION PLAN THAT OUTLINES THE AIDS AND RELATED
11 SERVICES REQUIRED TO MEET THE ACADEMIC NEEDS OF THE STUDENT WITH
12 DIABETES MAY TAKE THE PLACE OF A SERVICE AGREEMENT FOR A STUDENT
13 WITH DIABETES ATTENDING A NONPUBLIC SCHOOL UNLESS A SERVICE
14 AGREEMENT IS OTHERWISE REQUIRED UNDER LAW OR REGULATION.

15 (B) NOTHING IN SECTION 1414.3, 1414.4, 1414.5, 1414.6 OR
16 THIS SECTION SHALL BE CONSTRUED TO DO ANY OF THE FOLLOWING:

17 (1) CREATE, ESTABLISH OR EXPAND ANY OBLIGATIONS ON THE PART
18 OF ANY NONPUBLIC SCHOOL TO COMPLY WITH SECTION 504 OF THE
19 REHABILITATION ACT OF 1973 (PUBLIC LAW 93-112, 29 U.S.C. § 794).

20 (2) CREATE, ESTABLISH, RESULT IN OR EXPAND ANY CONTRACTUAL
21 OBLIGATIONS ON THE PART OF ANY NONPUBLIC SCHOOL.

22 (C) NO NONPUBLIC SCHOOL EMPLOYE OR NONPUBLIC SCHOOL SHALL BE
23 LIABLE FOR CIVIL DAMAGES AS A RESULT OF THE ACTIVITIES
24 AUTHORIZED BY SECTIONS 1414.3, 1414.4 AND 1414.5, EXCEPT THAT AN
25 EMPLOYE MAY BE LIABLE FOR WILLFUL MISCONDUCT.

26 Section 11.1. Section 1525 of the act, added July 4, 2004
27 (P.L.536, No.70), is amended to read:

28 Section 1525. Agreements with Institutions of Higher
29 Education.--Notwithstanding any other provision of law to the
30 contrary, a school district, charter school, regional charter

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

13 Section 12. The act is amended by adding a section to read:
14 Section 1513-C. Supplemental online mathematics support.

15 (a) General rule.--For the 2015-2016 school year, the
16 department shall make online mathematics support available to
17 all students enrolled in school entities in grades three through
18 eight and provide training and support for school entity
19 personnel to effectively promote student use of the online
20 mathematics support.

21 (b) Contents.--Online mathematics support shall include
22 tutoring, student motivation programming and adaptive online
23 instruction provided by instructors certified to teach
24 mathematics under Article XII.

25 (c) Contract.--In carrying out its duty under this section,
26 the department may enter into a contract with a service
27 provider. In awarding a contract under this section, the
28 department shall give preference to service providers based in
29 this Commonwealth that have demonstrated success in providing
30 Statewide online mathematics support.

1 (d) Funding contingency.--The powers and duties established
2 in this section shall be contingent on appropriations made by
3 the General Assembly.

4 (e) Definition.--For the purpose of this section, the term
5 "school entity" shall include a school district, charter school,
6 regional charter school or cyber charter school.

7 Section 12.1. The definitions of "concurrent student" and
8 "school entity" in section 1602-B of the act, added July 13,
9 2005 (P.L.226, No.46), are amended to read:

10 Section 1602-B. Definitions.

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

14 * * *

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

21 * * *

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

25 * * *

26 Section 12.2. Sections 1611-B and 1613-B of the act are
27 amended by adding subsections to read:

28 Section 1611-B. Responsibilities of school entities.

29 * * *

30 (g) Revenue received by school district.--Notwithstanding

1 any provision of law to the contrary, the revenues received by a
2 school district under section 1603-B shall not be included in
3 the school district's budgeted total expenditure per average
4 daily membership used to calculate the amount to be paid to a
5 charter school entity under section 1725-A(a) (2) and (3).

6 Section 1613-B. Concurrent enrollment agreements.

7 * * *

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

14 Section 13. Section 1703-A of the act 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 "Aid ratio" and "market value/income aid ratio" shall be:

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

28 (2) for a regional charter school, the aid ratio and market
29 value/income aid ratio shall be a composite, as determined by
30 the department, based on the school districts that granted the

1 charter; or
2 (3) for a cyber charter school, the aid ratio and market
3 value/income aid ratio shall be that of the school district in
4 which the administrative offices of the cyber charter school are
5 located.

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

8 "Assessment" shall mean the Pennsylvania System of School
9 Assessment test, the Keystone Exam or another test established
10 by the State board to meet the requirements of section 2603-
11 B(d)(10)(i) and required under the No Child Left Behind Act of
12 2001 (Public Law 107-110, 115 Stat. 1425) or its successor
13 Federal statute.

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

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

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

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

1 entity.

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

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

10 "Community college" shall mean a community college
11 established under Article XIX-A.

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

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

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

1 "Immediate family member" shall mean a parent, spouse, child,
2 brother, sister, grandparent or grandchild.

3 "Local board of school directors" shall mean the board of
4 directors, School Reform Commission or other governing authority
5 of a school district in which a proposed or an approved charter
6 school is located.

7 "Nonrelated" shall mean an individual who is not an immediate
8 family member.

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

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

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

22 "School performance profile" shall mean the Pennsylvania
23 School Performance Profile developed by the department under
24 section 1123.

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

27 "State board" shall mean the State Board of Education of the
28 Commonwealth.

29 "State System institution" shall mean a member institution of
30 the State System of Higher Education established under Article

1 XX-A.

2 Section 13.1. The act is amended by adding a section to
3 read:

4 Section 1704-A. Charter School Funding Advisory

5 Commission.--(1) A Charter School Funding Advisory Commission

6 is established. The commission shall examine the financing of

7 charter school entities in the public education system and

8 related issues. The commission shall examine how charter school

9 entity finances affect opportunities for teachers, parents,

10 pupils and community members to establish and maintain schools

11 that operate independently from the existing school district

12 structure as a method to accomplish the requirements of section

13 1702-A. The General Assembly shall provide administrative

14 support, meeting space and any other assistance required by the

15 commission to carry out its duties under this section.

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

17 (i) Four members of the Senate appointed by the President

18 pro tempore of the Senate, in consultation with the Majority

19 Leader of the Senate and the Minority Leader of the Senate, with

20 two appointees from the majority party, one of whom shall be the

21 majority chairman of the Education Committee of the Senate, and

22 two appointees from the minority party, one of whom shall be the

23 minority chairman of the Education Committee of the Senate.

24 (ii) Four members of the House of Representatives appointed

25 by the Speaker of the House of Representatives, in consultation

26 with the Majority Leader of the House of Representatives and the

27 Minority Leader of the House of Representatives, with two

28 appointees from the majority party, one of whom shall be the

29 majority chairman of the Education Committee of the House of

30 Representatives, and two appointees from the minority party, one

1 of whom shall be the minority chairman of the Education
2 Committee of the House of Representatives.

3 (iii) The secretary or a designee.

4 (iv) An at-large member chosen by the Governor, the
5 President pro tempore of the Senate and the Speaker of the House
6 of Representatives.

7 (v) To represent the interests of charter school entities,
8 the following members, who shall be appointed by the secretary
9 from a list provided by The Pennsylvania Coalition of Public
10 Charter Schools and the Keystone Alliance:

11 (A) One member who shall be a business manager of a charter
12 school.

13 (B) One member who shall be a business manager of a cyber
14 charter school.

15 (vi) To represent the interests of school districts, the
16 following members, who shall be appointed by the secretary from
17 a list provided by the Pennsylvania Association of School
18 Business Officials:

19 (A) One member who shall be a business manager of a rural
20 school district.

21 (B) One member who shall be a business manager of an urban
22 school district.

23 (3) Members of the commission shall be appointed within
24 twenty (20) days of the effective date of this section. Any
25 vacancy on the commission shall be filled by the original
26 appointing authority. The commission shall be co-chaired by the
27 chairman of the Education Committee of the Senate and chairman
28 of the Education Committee of the House of Representatives. The
29 organizational meeting shall take place not later than forty-
30 five (45) days following the effective date of this section.

1 (4) The commission shall hold meetings at the call of the
2 chairman. The commission may hold no more than six public
3 hearings on the matters to be considered by the commission. All
4 meetings and public hearings of the commission shall be deemed
5 public meetings for the purpose of 65 Pa.C.S. Ch. 7 (relating to
6 open meetings). Eight (8) members of the commission shall
7 constitute a quorum at any meeting. Each member of the
8 commission may designate another person to represent that member
9 at meetings of the commission.

10 (5) Commission members shall receive no compensation for
11 their services but shall be reimbursed by the department for all
12 necessary travel and other reasonable expenses incurred in
13 connection with the performance of their duties as members.
14 Whenever possible, the commission shall utilize the services and
15 expertise of existing personnel and staff of State government.

16 (6) The commission shall have the following powers and
17 duties:

18 (i) Meet with current charter school entity operators and
19 school district personnel.

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

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

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

25 (A) Consideration of establishing an independent State level
26 board to authorize charter school entities and support charter
27 school quality and accountability through performance monitoring
28 and technical assistance.

29 (B) The process by which charter school entities are funded
30 under section 1725-A, including addressing potential funding

1 ~~inequities, to include consideration of disallowing a school~~ <--
2 ~~district's costs for food services in the case of cyber charter~~
3 ~~schools that provide food services to their students, and~~
4 ~~consideration of continuing the school district deduction for~~
5 ~~cyber charter school tuition costs~~ CONTINUING THE SCHOOL <--
6 DISTRICT DEDUCTIONS FOR SCHOOL LIBRARY SERVICES, NONPUBLIC
7 SUPPORT SERVICES, TAX ASSESSMENT AND COLLECTION SERVICES,
8 NONPUBLIC HEALTH SERVICES, OPERATION AND MAINTENANCE OF PLANT
9 SERVICES AND COMMUNITY SERVICES.

10 (C) Appropriate funding for charter school entity
11 facilities.

12 (D) A process by which the performance matrix established
13 under section 1731.2-A shall compare the academic performance of
14 each charter school entity with the academic performance of the
15 school district of residence of each student enrolled in the
16 charter school entity.

17 (E) Special education transportation.

18 (F) Other funding issues raised in the course of public
19 hearings.

20 (G) Consideration of a school district deduction for
21 programs and services to the extent they are funded from the
22 proceeds of competitive grants from private or public resources
23 or from contributions or donations from private sources.

24 (H) The appropriate manner of funding a charter school that
25 primarily serves adjudicated youth.

26 (I) Funding and all costs associated with athletic programs
27 provided by charter school entities.

28 (J) Consideration of a method by which a local board of
29 school directors, when considering a charter application, may
30 review whether charter school entities are sufficiently

1 distributed throughout a school district while also ensuring
2 that a charter application is not denied on the basis of
3 geographic location.

4 (K) CONSIDERATION OF THE APPROPRIATE MANNER OF IMPLEMENTING <--
5 THE RECOMMENDATIONS OF THE SPECIAL EDUCATION FUNDING COMMISSION
6 WITH RESPECT TO CHARTER SCHOOL ENTITIES, BASED ON THE MANNER IN
7 WHICH THE COMMISSION'S RECOMMENDATIONS HAVE BEEN IMPLEMENTED FOR
8 SCHOOL DISTRICTS.

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

10 (7) The commission shall, no later than one year from the
11 effective date of this section, issue a report of its findings
12 and recommendations to the Governor, the President pro tempore
13 of the Senate, the Majority Leader of the Senate, the Minority
14 Leader of the Senate, the chairman and minority chairman of the
15 Appropriations Committee of the Senate, the chairman and
16 minority chairman of the Education Committee of the Senate, the
17 Speaker of the House of Representatives, the Majority Leader of
18 the House of Representatives, the Minority Leader of the House
19 of Representatives, the chairman and minority chairman of the
20 Appropriations Committee of the House of Representatives and the
21 chairman and minority chairman of the Education Committee of the
22 House of Representatives. The recommendations of the commission
23 shall not take effect unless the recommendations are approved by
24 an act of the General Assembly enacted after the effective date
25 of this section.

26 Section 13.2. Section 1715-A of the act, amended or added
27 June 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846,
28 No.61), is amended to read:

29 Section 1715-A. Charter School Entity Requirements.--(a)
30 Charter [schools] school entities shall be required to comply

1 with the following provisions:

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

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

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

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

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

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

24 (A) if the charter school entity provides for discrete and
25 separate entrances to buildings utilized for school purposes
26 only;

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

30 (C) in which the unused portion of the facility or its

1 common areas contain religious symbols and objects.

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

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

8 (7.1) A cyber charter school shall only be subject to the
9 laws and regulations as provided for in section 1749-A, or as
10 otherwise provided for in this act.

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

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

24 (9.1) A cyber charter school may use in-person interaction,
25 testing or instruction for students protected by the Individuals
26 with Disabilities Education Act (Public Law 91-230, 20 U.S.C. §
27 1400 et seq.) or section 504 of the Rehabilitation Act of 1973
28 (Public Law 93-112, 29 U.S.C. § 794), and for the amount of time
29 that such services are required by the student's individualized
30 education program or by the plan describing services provided to

1 the student pursuant to section 504 of the Rehabilitation Act of
2 1973.

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

7 (i) The following provisions of this act:

8 (A) Sections 751 and 751.1.

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

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

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

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

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

20 (11) Trustees of a charter school entity shall be public
21 officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to
22 ethics standards and financial disclosure) and shall file a
23 statement of financial interests for the preceding calendar year
24 with the State Ethics Commission and either the local board of
25 school directors in the case of a charter school or regional
26 charter school, or the department in the case of a cyber charter
27 school, not later than May 1 of each year that members hold the
28 position and of the year after a member leaves the position. All
29 members of the board of trustees of a charter school entity
30 shall take the oath of office as required under section 321

1 before entering upon the duties of their office.

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

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

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

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

1 duration.

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

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

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

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

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

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

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

29 Section 13.3. Section 1716-A(c) of the act, added June 19,
30 1997 (P.L.225, No.22), is amended and the section is amended by

1 adding subsections to read:

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

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

13 (2) An employe of the school district that chartered a
14 charter school or regional charter school may serve as a member
15 of the board of trustees of the charter school or regional
16 charter school without voting privileges.

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

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

28 (3) A member of the board of trustees of a charter school
29 entity who knowingly violates this subsection commits a
30 violation of 65 Pa.C.S. § 1103(a) and shall be subject to the

1 penalties imposed under the jurisdiction of the State Ethics
2 Commission.

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

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

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

15 (c) The board of trustees shall comply with [the act of July
16 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65
17 Pa.C.S. Ch. 7 (relating to open meetings).

18 (d) (1) (i) The board of trustees of a charter school
19 entity shall consist of a minimum of five (5) nonrelated voting
20 members.

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

27 (2) Within one (1) year of the effective date of this
28 subsection, at least one member of the board of trustees of a
29 charter school entity shall be a parent of a child currently
30 attending the charter school entity. The board of trustees

1 member provided for under this paragraph shall be eligible to
2 serve only so long as the child attends the charter school
3 entity. This paragraph shall not apply to a charter school that
4 primarily serves adjudicated youth.

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

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

13 Section 13.4. The act is amended by adding a section to
14 read:

15 Section 1716.1-A. Payment of Indebtedness by Charter School
16 Entities.--(a) The board of trustees of a charter school entity
17 shall supply the secretary and, in the case of a charter school
18 or regional charter school, the local board of school directors
19 a list of the amount of rental payments which are guarantees for
20 school building debt or bonds that become due during the fiscal
21 year together with the amount paid on each item of indebtedness.
22 Any charter school entity that elects to issue new school
23 building debt or bonds shall hold in escrow an amount sufficient
24 to pay the annual amount of the sum of the principal maturing or
25 subject to mandatory redemption and interest owing by the
26 charter school entity or sinking fund deposit due by the charter
27 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 13.5. Sections 1717-A(c), (d), (e) and (f) and 1719-
20 A of the act, added June 19, 1997 (P.L.225, No.22), are amended
21 to read:

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

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

1 1996-1997 Department of Education charter school planning
2 grants.

3 (d) Within forty-five (45) days of receipt of an
4 application, the local board of school directors in which the
5 proposed charter school is to be located shall hold at least one
6 public hearing on the provisions of the charter application,
7 under [the act of July 3, 1986 (P.L.388, No.84), known as the
8 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).

9 At least forty-five (45) days must transpire between the first
10 public hearing and the final decision of the board on the
11 charter application except that for a charter school beginning
12 in the 1997-1998 school year, only thirty (30) days must
13 transpire between the first public hearing and the final
14 decision of the board.

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

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

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

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

1 experiences to students pursuant to the adopted charter.

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

5 (iv) The extent to which the charter school may serve as a
6 model for other public schools and share best practices.

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

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

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

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

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

12 * * *

13 Section 1719-A. Contents of Application.--[An] (a) The
14 department shall create a standard application form for charter
15 school applicants seeking to establish a charter school entity
16 and a standard form for existing charter school entities seeking
17 renewal of their charters. The forms shall be published in the
18 Pennsylvania Bulletin and posted on the department's publicly
19 accessible Internet website. The forms shall include all of the
20 following information:

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

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

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

24 (4) [The proposed governance structure of the charter
25 school, including a description and method for the appointment
26 or election of members of the board of trustees.] An
27 organization chart clearly presenting the proposed governance
28 structure of the school, including lines of authority and
29 reporting between the board of trustees, administrators, staff
30 and any educational management service provider that will

1 provide management services to the charter school entity.

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

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

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

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

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

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

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

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

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

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

27 (E) Performance evaluation measures and timelines.

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

1 (G) Methods of contract oversight and enforcement.

2 (H) Investment disclosure or the advance of moneys by the
3 educational management service provider on behalf of the charter
4 school entity.

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

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

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

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

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

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

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

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

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

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

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

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

21 (15) A report of criminal history record, pursuant to
22 section 111, for all individuals identified in the application
23 who shall have direct contact with students[.] and a plan for
24 satisfying the proper criminal history record clearances
25 required for all other staff.

26 (16) An official clearance statement regarding child injury
27 or abuse from the Department of Public Welfare as required by 23
28 Pa.C.S. Ch. 63 Subch. [C.2 (relating to background checks for
29 employment in schools)] C (relating to powers and duties of
30 department) and section 111 for all individuals identified in

1 the application who shall have direct contact with students[.]
2 and a plan for satisfying the proper official clearance
3 statement regarding child injury or abuse required for all other
4 staff.

5 (17) How the charter school entity will provide adequate
6 liability and other appropriate insurance for the charter school
7 entity, its employes and the board of trustees of the charter
8 school entity.

9 (18) Policies regarding truancy, absences and withdrawal of
10 students, including the manner in which the charter school
11 entity will monitor attendance consistent with section 1715-A(a)
12 (9). The charter school entity's policy shall establish, to the
13 satisfaction of the local board of school directors or, in the
14 case of a cyber charter school, to the satisfaction of the
15 department, that the charter school entity will comply with
16 sections 1332 and 1333, including the institution of truancy
17 proceedings when required under section 1333.

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

21 (20) Indicate whether or not the charter school entity will
22 seek accreditation by a nationally recognized accreditation
23 agency, including the Middle States Association of Colleges and
24 Schools or another regional institutional accrediting agency
25 recognized by the United States Department of Education or an
26 equivalent federally recognized body for charter school
27 education.

28 (b) A local board of school directors may not impose
29 additional terms, develop its own application or require
30 additional information outside the standard application forms

1 required under subsection (a). The department shall review the
2 standard application forms every three (3) years and shall
3 submit any recommended revisions in writing to the Education
4 Committee of the Senate and the Education Committee of the House
5 of Representatives. NO SUCH RECOMMENDED REVISIONS SHALL BE MADE <--
6 TO THE STANDARD APPLICATION FORMS UNLESS THE REVISIONS ARE
7 ENACTED BY THE GENERAL ASSEMBLY.

8 Section 13.6. Section 1720-A of the act, amended July 9,
9 2008, (P.L.846, No.61), is amended to read:

10 Section 1720-A. Term and Form of Charter.--(a) (1) Upon
11 approval of a charter application under section 1717-A, a
12 written charter shall be developed which shall contain the
13 provisions of the standardized charter application under section
14 1719-A and which shall be signed by the local board of school
15 directors of a school district, by the local boards of school
16 directors of a school district in the case of a regional charter
17 school or by the chairman of the appeal board pursuant to
18 section [1717-A(i) (5)] 1717-A(i) (9) and the board of trustees of
19 the charter school or regional charter school. This written
20 charter, when duly signed by the local board of school directors
21 of a school district, [or] by the local boards of school
22 directors of a school district in the case of a regional charter
23 school or by the chairman of the appeal board, and the charter
24 school or regional charter school's board of trustees, shall act
25 as legal authorization for the establishment of a charter school
26 or regional charter school. This written charter shall be
27 legally binding on both the local board of school directors of a
28 school district and the charter school or regional charter
29 school's board of trustees. [Except as otherwise provided in
30 subsection (b), the charter shall be for a period of no less

1 than three (3) nor more than five (5) years and may be renewed
2 for five (5) year periods upon reauthorization by the local
3 board of school directors of a school district or the appeal
4 board.] If the charter school or regional charter school
5 contracts with an educational management service provider, a
6 contract shall be executed once the charter is approved. A
7 charter will be granted only for a school organized as a public,
8 nonprofit corporation.

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

11 (i) An initial charter executed pursuant to section
12 1720-A(a)(1) shall be for a period of five (5) years.

13 (ii) Prior to the effective date of the regulations
14 implementing the performance matrix as required pursuant to
15 section 1731.2-A, a charter may be renewed for five (5) year
16 periods upon reauthorization by the local board of school
17 directors or other governing body of a school district or the
18 appeal board.

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

22 (A) For charter schools and regional charter schools that
23 have satisfied the academic quality benchmark established by the
24 State board pursuant to section 1731.2-A, a charter may be
25 renewed for ten (10) year periods upon reauthorization by the
26 local board of school directors or other governing body of a
27 school district or the appeal board; provided that, beginning in
28 the sixth year of any ten (10) year period of renewal under this
29 subclause, the charter of any charter school or regional charter
30 school that fails for two (2) consecutive years to satisfy the

1 academic quality benchmark established by the State board under
2 section 1731.2-A shall be subject to review by the local board
3 of school directors or other governing body of a school
4 district.

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

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

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

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

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

30 (2) Within sixty (60) days of its receipt of the request for

1 an amendment, the local board of school directors shall hold a
2 public hearing on the requested amendment under 65 Pa.C.S. Ch. 7
3 (relating to open meetings).

4 (3) Within sixty (60) days after the hearing, the local
5 board of school directors shall grant or deny the requested
6 amendment. Failure by the local board of school directors to
7 hold a public hearing and to grant or deny the amendment within
8 the time period specified in this subsection shall be deemed an
9 approval.

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

13 Section 13.7. Section 1721-A(a) and (e) of the act, added
14 June 19, 1997 (P.L.225, No.22), are amended to read:

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

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

25 (2) A school board member.

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

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

30 (5) A member of the business community.

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

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

3 (8) A member of the board of trustees of a charter school
4 entity.

5 (9) A principal of a public school not operated under this
6 article.

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

18 * * *

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

26 Section 13.8. Section 1722-A(a), (b) and (d) of the act,
27 amended November 17, 2010 (P.L.996, No.104), are amended and the
28 section is amended by adding subsections to read:

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

1 of an existing public school building, in space provided on a
2 privately owned site, in a public building or in any other
3 suitable location.

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

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

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

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

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

19 (2) A school entity shall accept an offer from a charter
20 school entity that conforms to the provisions of paragraph (1).

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

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

1 a school entity:

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

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

9 (A) Accept the first offer, if the offers are equal in
10 dollar amount.

11 (B) Accept the best offer, if the offers differ in dollar
12 amount.

13 (d) Notwithstanding any other provision of this act, [a
14 school district of the first class may, in its discretion,
15 permit a charter school to operate its school at more than one
16 location.] a charter school or regional charter school that does
17 not have any limits on student enrollment or caps is permitted
18 to operate its school at more than one location and may not be
19 required to obtain permission to expand.

20 * * *

21 (f) (1) Alcoholic beverages shall not be available for
22 consumption, purchase or sale in any charter school entity
23 facility.

24 (2) If, in the case of a charter school or regional charter
25 school, the local board of school directors reasonably believes
26 that alcoholic beverages have been made available for
27 consumption, purchase or sale in the charter school or regional
28 charter school facility, the local board of school directors
29 shall notify the department.

30 (3) If alcoholic beverages have been made available for

1 consumption, purchase or sale in a charter school entity
2 facility, the secretary shall order the following forfeitures
3 against the charter school entity:

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

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

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

11 Section 13.9. Section 1723-A(a), (b) and (d) of the act,
12 amended June 26, 1999 (P.L.394, No.36) and July 9, 2008
13 (P.L.846, No.61), are amended and the section is amended by
14 adding a subsection to read:

15 Section 1723-A. [Enrollment] Admission and Enrollment
16 Requirements.--(a) (1) All resident children in this
17 Commonwealth who submit a completed enrollment form in
18 accordance with clause (3) qualify for admission to a charter
19 school entity within the provisions of subsection (b). [If] In
20 the case of a charter school or regional charter school, if more
21 students apply to the charter school or regional charter school
22 than the number of attendance slots available in the school,
23 then students must be selected on a random basis from a pool of
24 [qualified applicants meeting the established eligibility
25 criteria and submitting an application] eligible applicants who
26 have submitted an enrollment form in accordance with clauses (3)
27 and (4) by the deadline established by the charter school or
28 regional charter school, except that the charter school or
29 regional charter school may give preference in enrollment to a
30 child of a parent who has actively participated in the

1 development of the charter school [and] or regional charter
2 school, to siblings of students presently enrolled in the
3 charter school or regional charter school and to siblings of
4 students selected for enrollment during the lottery process.
5 First preference shall be given to students who reside in the
6 district or districts[.] in which the charter school is
7 physically located or in which the regional charter school is
8 chartered.

9 (2) If a charter school or regional charter school has a
10 waiting list following its initial selection of eligible
11 applicants under clause (1), the charter school or regional
12 charter school shall select and enroll eligible applicants from
13 the waiting list as spaces become available. All children shall
14 be assigned to the waiting list on a random basis. When
15 selecting and enrolling eligible applicants from the waiting
16 list, a charter school or regional charter school shall give
17 first preference to students as provided under clause (1) and to
18 those who reside in the district or districts in which the
19 charter school is physically located or in which the regional
20 charter school is chartered until the charter school or regional
21 charter school again reaches its maximum capacity of students.
22 If a charter school or regional charter school has a waiting
23 list, once the charter school or regional charter school has
24 exhausted the waiting list of resident children, it may then
25 enroll children on the waiting list who reside outside of the
26 district. Nonresident children shall also be selected and
27 enrolled on a random basis. If a charter school or regional
28 charter school and the school district from which it is
29 authorized have voluntarily capped enrollment or the district
30 attempts to involuntarily cap enrollment of resident students

1 and the charter school or regional charter school has enrolled
2 the maximum number of resident students, the charter school or
3 regional charter school may enroll students residing outside of
4 the district.

5 (3) The department, in consultation with representatives of
6 charter school entities, shall develop a standard enrollment
7 form that shall be used by all eligible applicants to apply to a
8 charter school entity. The standard enrollment form shall only
9 request information necessary to allow the charter school entity
10 to identify the student, grade level and residency, including:

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

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

15 (4) The standard enrollment form shall be made physically
16 available at each charter school entity, in a form that complies
17 with Federal and State law and posted on the publicly accessible
18 Internet website of each charter school entity, if available. A
19 charter school entity may accept the enrollment form via
20 electronic means.

21 (5) When a student applies to a charter school entity, a
22 charter school entity shall not require or request information
23 beyond the contents of the standard enrollment form developed by
24 the department.

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

30 (7) As used in this subsection "eligible applicant" shall

1 mean a student who is seeking to enter a grade level offered by
2 the charter school entity and meets the requirements of 22 Pa.
3 Code §§ 11.12 (relating to school age), 11.13 (relating to
4 compulsory school age), 11.14 (relating to admission to
5 kindergarten when provided), 11.15 (relating to admission of
6 beginners), 11.16 (relating to early admission of beginners) and
7 12.1 (relating to free education and attendance) and student
8 residency requirements.

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

15 (2) A charter school entity may limit [admission] its
16 academic focus to a particular grade level, a targeted
17 population group composed of at-risk students[, or areas of
18 concentration of the school such as mathematics, science or the
19 arts. A charter school may establish reasonable criteria to
20 evaluate prospective students which shall be outlined in the
21 school's charter.] or a specialized area or accelerated program
22 of study, such as mathematics, science or the arts.

23 * * *

24 (d) (1) Enrollment of students in a charter school [or
25 cyber charter school] entity, or expansion of a charter school
26 entity into additional grade levels, shall not be subject to a
27 cap or otherwise limited by any past or future action of a board
28 of school directors, a board of control established under
29 Article XVII-B, a special board of control established under
30 section 692 or any other governing authority, unless agreed to

1 by the charter school or cyber charter school as part of a
2 written charter pursuant to section 1720-A.

3 (2) The provisions of this subsection shall apply to a
4 charter school ~~for~~ cyber charter school regardless of whether <--
5 the charter was approved prior to or is approved subsequent to
6 the effective date of this subsection.] ~~entity until a new~~ <--
7 ~~funding formula is enacted pursuant to section 1704 A.~~

8 (e) A school district's obligation to make payments for
9 students enrolled in a charter school entity shall be governed
10 by section 1725-A or, in the case of students who are below a
11 school district's age of enrollment, by the terms of any charter
12 or service contract between a school district and a charter
13 school entity. Notwithstanding the above, absent language to the
14 contrary in a charter or service contract between a school
15 district and a charter school entity, a school district shall
16 not be obligated to fund a four-year-old kindergarten program if
17 the school district has exercised its discretion not to offer
18 such a program in its own schools.

19 Section 14. Section 1724-A(c) of the act, amended June 30,
20 2011 (P.L.112, No.24), is amended to read:

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

22 (c) All employes of a charter school shall be enrolled in
23 the Public School Employees' Retirement System in the same
24 manner as set forth in 24 Pa.C.S. § 8301(a) (relating to
25 mandatory and optional membership) unless at the time of the
26 application for the charter school the sponsoring district or
27 the board of trustees of the charter school has a retirement
28 program which covers the employes or the employe is currently
29 enrolled in another retirement program. [The Commonwealth shall
30 make contributions on behalf of charter school employes enrolled

1 in the Public School Employees' Retirement System.] The charter
2 school shall be considered a public school [district] as defined
3 in 24 Pa.C.S. § 8102 (relating to definitions) and shall make
4 quarterly payments by employers to the Public School Employees'
5 Retirement System and monthly payments on account of Social
6 Security as established under 24 Pa.C.S. Pt. IV (relating to
7 retirement for school employees). [The market value/income aid
8 ratio used in calculating payments as prescribed in this
9 subsection shall be the market value/income aid ratio for the
10 school district in which the charter school is located or, in
11 the case of a regional charter school, shall be a composite
12 market value/income aid ratio for the participating school
13 districts as determined by the department.] Except as otherwise
14 provided, employes of a charter school shall make regular member
15 contributions as required for active members under 24 Pa.C.S.
16 Pt. IV. If the employes of the charter school participate in
17 another retirement plan, then those employes shall have no
18 concurrent claim on the benefits provided to public school
19 employes under 24 Pa.C.S. Pt. IV. [For purposes of this
20 subsection, a charter school shall be deemed to be a "public
21 school" as defined in 24 Pa.C.S. § 8102 (relating to
22 definitions).] Notwithstanding any other provision of law to the
23 contrary, nothing in this article shall be construed to require
24 the Commonwealth to make payments to charter schools or
25 contributions on behalf of charter school employes from
26 appropriated funds, as provided in 24 Pa.C.S. §§ 8326 (relating
27 to contributions by the Commonwealth) and 8535 (relating to
28 payments to school entities by Commonwealth) on account of
29 charter school employes enrolled in the Public School Employees'
30 Retirement System and 24 Pa.C.S. § 8329(a) (relating to payments

1 on account of social security deductions from appropriations) on
2 account of Social Security payments made by a charter school.

3 * * *

4 Section 14.1. Section 1725-A of the act, amended or added
5 June 19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35)
6 and June 29, 2002 (P.L.524, No.88), is amended to read:

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

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

12 (2) For non-special education students[, the]:

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

27 (ii) (A) For the 2015-2016 school year, a cyber charter
28 school shall receive for each student enrolled the lesser of:

29 (I) the budgeted total expenditures per average daily
30 membership of the prior school year, as defined in section

1 2501(20), minus the budgeted expenditures of the district of
2 residence for nonpublic school programs; adult education
3 programs; community/junior college programs; school library
4 services; nonpublic support services; tax assessment and
5 collection services; nonpublic health services; seven and five-
6 tenths percent (7.5%) of operation and maintenance of plant
7 services; student transportation services; community services;
8 special education programs; facilities acquisition, construction
9 and improvement services; and other financing uses, including
10 debt service and fund transfers as provided in the Manual of
11 Accounting and Related Financial Procedures for Pennsylvania
12 School Systems established by the department; or

13 (II) the ninetieth percentile of the amounts determined in
14 subclause (I) for all school districts.

15 (B) For the 2016-2017 school year and each year thereafter
16 until a new formula is enacted, a cyber charter school shall
17 receive for each student enrolled the lesser of:

18 (I) the budgeted total expenditures per average daily
19 membership of the prior school year, as defined in section
20 2501(20), minus the budgeted expenditures of the district of
21 residence for nonpublic school programs; adult education
22 programs; community/junior college programs; school library
23 services; nonpublic support services; tax assessment and
24 collection services; nonpublic health services; forty-five
25 percent (45%) of operation and maintenance of plant services;
26 student transportation services; community services; for special
27 education programs; facilities acquisition, construction and
28 improvement services; and other financing uses, including debt
29 service and fund transfers as provided in the Manual of
30 Accounting and Related Financial Procedures for Pennsylvania

1 School Systems established by the department; or
2 (II) the seventieth percentile of the amounts determined in
3 subclause (I) for all school districts.

4 The amount under this subparagraph shall be paid by the district
5 of residence of each student.

6 (2.1) The amount under paragraph (2) shall be calculated by
7 each school district on a form prescribed by the secretary in
8 accordance with this section. The secretary, upon receipt of a
9 school district's calculation, shall review the school
10 district's calculation and may request supporting documentation
11 from the school district regarding its calculation. If the
12 secretary finds an error or discrepancy in a school district's
13 calculation, the secretary shall require the school district to
14 correct the calculation and require the school district to
15 notify affected charter school entities.

16 (3) For special education students[, the]:

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

27 (ii) (A) For the 2015-2016 school year AND CONTINUING <--
28 THROUGH THE 2017-2018 SCHOOL YEAR, a cyber charter school shall
29 receive for each special education student enrolled the same
30 amount as for each non-special education student as provided in

1 ~~paragraph (2)(ii)(A), plus an additional amount equal to the~~ <--
2 ~~lesser of:~~

3 ~~(I) the district of residence's total special education~~
4 ~~expenditure divided by the product of multiplying the combined~~
5 ~~percentage of section 2509.5(k) multiplied by the district of~~
6 ~~residence's total average daily membership for the prior school~~
7 ~~year; or~~

8 ~~(II) the ninetieth percentile of the amounts determined in~~
9 ~~subclause (I) for all school districts.~~ DETERMINED BY DIVIDING <--
10 THE DISTRICT OF RESIDENCE'S TOTAL SPECIAL EDUCATION EXPENDITURE
11 BY THE PRODUCT OF MULTIPLYING THE COMBINED PERCENTAGE OF SECTION
12 2509.5(K) TIMES THE DISTRICT OF RESIDENCE'S TOTAL AVERAGE DAILY
13 MEMBERSHIP FOR THE PRIOR SCHOOL YEAR.

14 The amount under this subparagraph shall be paid by the district
15 of residence of each student.

16 (B) For the ~~2016-2017~~ 2018-2019 school year and each school <--
17 year thereafter until a new formula SPECIAL EDUCATION FUNDING <--
18 FORMULA FOR CYBER CHARTER SCHOOLS is enacted, a cyber charter
19 school shall receive for each special education student enrolled
20 the same amount as for each non-special education student as
21 provided in paragraph (2)(ii)(B), plus an additional amount
22 equal to the lesser of:

23 (I) the district of residence's total special education
24 expenditure divided by the product of multiplying the combined
25 percentage of section 2509.5(k) multiplied by the district of
26 residence's total average daily membership for the prior school
27 year; or

28 (II) the seventieth percentile of the amounts determined in
29 subclause (I) for all school districts.

30 The amount under this subparagraph shall be paid by the district

1 of residence of each student.

2 (3.1) Per-student payments to a cyber charter school
3 calculated under paragraphs (2) (ii) (B) and (3) (ii) (B) shall be
4 made as follows:

5 (i) The amount under paragraphs (2) (ii) (B) and (3) (ii) (B)
6 shall be paid by the school district of residence of each
7 student by deduction and transfer from all State payments due to
8 the school district of residence as provided under paragraph (5)
9 (ii).

10 (ii) If a cyber charter school disputes the accuracy of a
11 school district's calculation under paragraphs (2) (ii) (B) and
12 (3) (ii) (B), the cyber charter school shall file a notice of the
13 dispute with the secretary, who shall hold a hearing to
14 determine the accuracy of the school district's calculation
15 within thirty (30) days of the notice.

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

19 (iv) The school district shall bear the burden of production
20 and proof with respect to its calculation under this paragraph.

21 (v) The school district shall be liable for the reasonable
22 legal fees incurred by a cyber charter school if the cyber
23 charter school is the substantially prevailing party after a
24 hearing under this section. The cyber charter school shall be
25 liable for the reasonable legal fees incurred by the school
26 district if the school district is the substantially prevailing
27 party after a hearing under this section.

28 (vi) All decisions of the secretary under this paragraph
29 shall be subject to appellate review by Commonwealth Court.

30 (3.2) (I) FOR A SCHOOL DISTRICT IN A CITY OF THE FIRST

<--

1 CLASS, THE AMOUNT OF CYBER CHARTER SCHOOL SAVINGS UNDER
2 SUBPARAGRAPH (II) SHALL BE USED ONLY FOR SCHOOL-BASED SERVICES
3 THAT MAY INCLUDE THE FOLLOWING:

4 (A) EARLY CHILDHOOD EDUCATION, INCLUDING FULL-DAY
5 KINDERGARTEN AND PREKINDERGARTEN.

6 (B) TUTORING SERVICES.

7 (C) EDUCATIONAL ENRICHMENT PROGRAMS.

8 (D) REDUCING CLASS SIZE.

9 (E) REDUCING OR ELIMINATING FEES TO PARTICIPATE IN AFTER-
10 SCHOOL PROGRAMS SUCH AS MUSIC OR ATHLETICS.

11 (F) EXPANDING ACCESS TO THE ARTS, INCLUDING MUSIC AND ART.

12 (G) LIBRARY SERVICES.

13 (II) THE AMOUNT OF CYBER CHARTER SCHOOL SAVINGS SHALL BE
14 CALCULATED AS FOLLOWS:

15 (A) FOR THE 2015-2016 SCHOOL YEAR, THE DIFFERENCE BETWEEN
16 CHARTER PAYMENTS CALCULATED UNDER PARAGRAPHS (2) (I) AND (3) (I)
17 AND CYBER CHARTER PAYMENTS CALCULATED UNDER PARAGRAPHS (2) (II)
18 (A) AND (3) (II) (A).

19 (B) FOR THE 2016-2017 SCHOOL YEAR AND EACH SCHOOL YEAR
20 THEREAFTER, THE DIFFERENCE BETWEEN CHARTER PAYMENTS CALCULATED
21 UNDER PARAGRAPHS (2) (I) AND (3) (I) AND CYBER CHARTER PAYMENTS
22 CALCULATED UNDER PARAGRAPHS (2) (II) (B) AND (3) (II) (B).

23 (4) [A charter school may request the intermediate unit in
24 which the charter school is located to provide services to
25 assist the charter school to address the specific needs of
26 exceptional students. The intermediate unit shall assist the
27 charter school and bill the charter school for the services. The
28 intermediate unit may not charge the charter school more for any
29 service than it charges the constituent districts of the
30 intermediate unit.] A charter school entity may request the

1 intermediate unit or school district in which the charter school
2 entity is located or another charter school entity to provide
3 services to assist the charter school entity to address the
4 specific needs of non-special education and special education
5 students. The intermediate unit or school district shall assist
6 the charter school entity and bill the charter school entity for
7 the services. The intermediate unit may not charge the charter
8 school entity more for any service than it charges the
9 constituent districts of the intermediate unit. Nothing under
10 this paragraph shall preclude an intermediate unit or school
11 district from contracting with a charter school entity to
12 provide the intermediate unit or school district with services
13 to assist the intermediate unit or school district to address
14 specific needs of non-special education and special education
15 students.

16 (5) [Payments] (i) For a charter school or regional charter
17 school, payments shall be made to the charter school or regional
18 charter school in twelve (12) equal monthly payments, by the
19 fifth day of each month, within the operating school year. A
20 student enrolled in a charter school or regional charter school
21 shall be included in the average daily membership of the
22 student's district of residence for the purpose of providing
23 basic education funding payments and special education funding
24 pursuant to Article XXV. If a school district fails to make a
25 payment to a charter school or regional charter school as
26 prescribed in this [clause] subparagraph, the secretary shall
27 deduct the estimated amount, as documented by the charter school
28 or regional charter school, from any and all State payments made
29 to the district after receipt of documentation from the charter
30 school[.] or regional charter school. NO LATER THAN NOVEMBER 1 <--

1 OF EACH YEAR, A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL SHALL
2 SUBMIT TO THE SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT FINAL
3 DOCUMENTATION OF PAYMENT TO BE MADE BASED ON THE AVERAGE DAILY
4 MEMBERSHIP FOR THE STUDENTS ENROLLED IN THE CHARTER SCHOOL OR
5 REGIONAL CHARTER SCHOOL FROM THE SCHOOL DISTRICT FOR THE
6 PREVIOUS SCHOOL YEAR. IF A SCHOOL DISTRICT FAILS TO MAKE PAYMENT
7 TO THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL, THE SECRETARY
8 SHALL DEDUCT AND PAY THE AMOUNT AS DOCUMENTED BY THE CHARTER
9 SCHOOL OR REGIONAL CHARTER SCHOOL FROM ANY AND ALL STATE
10 PAYMENTS MADE TO THE DISTRICT AFTER RECEIPT OF DOCUMENTATION
11 FROM THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL.

12 (ii) For a cyber charter school, the following shall apply
13 beginning in the 2016-2017 school year:

14 (A) Payments shall be made to the cyber charter school in
15 twelve (12) equal monthly payments, according to the established
16 monthly unipay schedule within the operating school year or any
17 subsequent school year.

18 (B) Except as provided for in subparagraph (v), payments
19 shall be made directly by the secretary deducting and paying to
20 the cyber charter school the estimated amount, as documented by
21 the cyber charter school, from:

22 (I) all State payments due to the school district of
23 residence; or

24 (II) if no payments are due to the school district of
25 residence, from all State payments reasonably expected to be due
26 in the next established monthly unipay schedule.

27 (C) At least thirty (30) days prior to the scheduled payment
28 date each month, a cyber charter school shall provide to the
29 department and to the school district of residence of each
30 student enrolled in the cyber charter school documentation of

1 the cyber charter school's enrollment, on a form to be developed
2 by the secretary within sixty (60) days of the effective date of
3 this subparagraph. The form, which shall be developed in
4 consultation with representatives of cyber charter schools and
5 school districts, shall require the cyber charter school to
6 provide to the department and to the school district of
7 residence of each student enrolled in the cyber charter school,
8 documentation of each student's current enrollment in the cyber
9 charter school and current residence in the school district,
10 including the following information:

11 (I) Student's name.

12 (II) Student's home address.

13 (III) Name and telephone number of student's parent or
14 guardian.

15 (IV) Student's date of birth.

16 (V) Student's grade level.

17 (VI) Type of school in which student was previously
18 enrolled.

19 (VII) Student's date of enrollment.

20 (VIII) Whether the student is being educated under an
21 individualized education plan under the Individuals with
22 Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400
23 et seq.) and the date of the most recent individualized
24 education plan.

25 (IX) The tuition amount due on account of each student.

26 (X) The total amount due from the school district for that
27 month.

28 (XI) Copies of the actual documents used by the cyber
29 charter school to verify the student's residence in the school
30 district.

1 The secretary shall not make payments under this section until
2 the cyber charter school provides the department and the school
3 district of residence with a completed form and accompanying
4 documentation as required under this clause. A cyber charter
5 school may make only one (1) payment request per month under
6 this clause. After a cyber charter school makes a payment
7 request under this clause, any necessary corrections or
8 adjustments may be made in the next subsequent monthly payment
9 request. NO LATER THAN NOVEMBER 1 OF EACH YEAR, A CYBER CHARTER <--
10 SCHOOL SHALL SUBMIT TO THE DEPARTMENT FINAL DOCUMENTATION OF
11 PAYMENT TO BE MADE BASED ON THE AVERAGE DAILY MEMBERSHIP FOR THE
12 STUDENTS ENROLLED IN THE CYBER CHARTER SCHOOL FROM EACH SCHOOL
13 DISTRICT OF RESIDENCE FOR THE PREVIOUS SCHOOL YEAR. THE
14 SECRETARY SHALL DEDUCT AND PAY THE AMOUNT AS DOCUMENTED BY THE
15 CYBER CHARTER SCHOOL FROM ANY AND ALL STATE PAYMENTS MADE TO THE
16 DISTRICT AFTER RECEIPT OF DOCUMENTATION FROM THE CYBER CHARTER
17 SCHOOL.

18 (D) The secretary's obligation to make payments under this
19 section is mandatory and ministerial, except that payments made
20 pursuant to this section shall not be given priority over
21 payments required pursuant to sections 633 and 785 and 53
22 Pa.C.S. § 8125(b) (relating to security for tax anticipation
23 notes and sinking fund), preferential claims under section 1155,
24 or an agreement pursuant to which the Commonwealth is required
25 to make payment to a holder of debt issued by or on behalf of a
26 school entity. If payments required under sections 633, 785 and
27 1155 and 53 Pa.C.S. § 8125(b) preclude the timely payment of
28 funds to a cyber charter school under section 1725-A or will
29 cause the board of school directors of a school district to fail
30 to pay or provide for payment under this subsection, nothing

1 shall preclude the secretary from withholding funds from any and
2 all State payments made to the school district for the operating
3 school year or for any subsequent operating school year.

4 (E) If there are insufficient State payments due to a school
5 district in the established monthly unipay schedule to cover all
6 cyber charter school deductions and transfers, the school
7 district shall be responsible for paying the unpaid balance
8 directly to the cyber charter school not more than ten (10) days
9 following the established monthly unipay schedule.

10 (F) A student enrolled in a cyber charter school shall be
11 included in the average daily membership of the student's school
12 district of residence for the purpose of providing basic
13 education funding payments and special education funding under
14 Article XXV.

15 (6) [Within thirty (30) days after the secretary makes the
16 deduction described in clause (5), a school district may notify
17 the secretary that the deduction made from State payments to the
18 district under this subsection is inaccurate. The secretary
19 shall provide the school district with an opportunity to be
20 heard concerning whether the charter school documented that its
21 students were enrolled in the charter school, the period of time
22 during which each student was enrolled, the school district of
23 residence of each student and whether the amounts deducted from
24 the school district were accurate.] The following apply:

25 (i) Within thirty (30) days after the payment is made to the
26 charter school entity as described under paragraph (5), a school
27 district may notify the secretary that the estimated amount, as
28 documented by the charter school entity, is inaccurate.

29 (ii) Within thirty (30) days of the notice by the school
30 district under subparagraph (i), the secretary shall provide the

1 school district with a hearing concerning whether the charter
2 school entity documented that students were enrolled in the
3 charter school entity, the period of time during which each
4 student was enrolled in the charter school entity, the school
5 district of residence of each student enrolled in the charter
6 school entity and whether the amounts deducted from or paid by
7 the school district were accurate.

8 (iii) The burden of proof and production at the hearing
9 shall be on the school district. A hearing shall not be held
10 before the amount estimated by the charter school entity is paid
11 to the charter school entity.

12 (iv) The secretary shall determine the accuracy of the
13 amount documented by the charter school entity. Any necessary
14 payment adjustment shall be made within thirty (30) days of the
15 hearing.

16 (v) The school district shall be liable for the reasonable
17 legal fees incurred by a charter school entity if the charter
18 school entity is the substantially prevailing party after a
19 hearing under this section. The charter school entity shall be
20 liable for the reasonable legal fees incurred by the school
21 district if the school district is the substantially prevailing
22 party after a hearing under this section.

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

25 (vii) Supersedeas shall not be granted to the secretary or
26 any party to the proceeding on an appeal from the decision of
27 the secretary under this section; and, absent a court order,
28 payments shall not be held in escrow.

29 [(b) The Commonwealth shall provide temporary financial
30 assistance to a school district due to the enrollment of

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

24 (c) The Commonwealth shall create a grant program to provide
25 temporary transitional funding to a school district due to the
26 budgetary impact relating to any student's first-year attendance
27 at a charter school. The department shall develop criteria which
28 shall include, but not be limited to, the overall fiscal impact
29 on the budget of the school district resulting from students of
30 a school district attending a charter school. The criteria shall

1 be published in the Pennsylvania Bulletin. This subsection shall
2 not apply to a public school converted to a charter school under
3 section 1717-A(b). Grants shall be limited to funds appropriated
4 for this purpose.]

5 (d) It shall be lawful for any charter school entity to
6 receive, hold, manage and use, absolutely or in trust, any
7 devise, bequest, grant, endowment, gift or donation of any
8 property, real or personal and/or mixed, which shall be made to
9 the charter school entity for any of the purposes of this
10 article.

11 (e) It shall be unlawful for any trustee of a charter school
12 entity or any board of trustees of a charter school entity or
13 any other person affiliated in any way with a charter school
14 entity to demand or request, directly or indirectly, any gift,
15 donation or contribution of any kind from any parent, teacher,
16 employe or any other person affiliated with the charter school
17 entity as a condition for employment or enrollment and/or
18 continued attendance of any pupil. Any donation, gift or
19 contribution received by a charter school entity shall be given
20 freely and voluntarily.

21 (f) A charter school entity may not provide discounts to a
22 school district or waive payments under this section for any
23 student, except in the case of a school district identified for
24 financial recovery status under Article VI-A.

25 Section 14.2. Sections 1728-A and 1729-A(a), (b) and (c) of
26 the act, added June 19, 1997 (P.L.225, No.22), are amended to
27 read:

28 Section 1728-A. Annual Reports and Assessments.--(a) (1)
29 The local board of school directors shall annually assess and
30 publicly report whether each charter school or regional charter

1 school is meeting the goals of its charter and shall conduct a
2 comprehensive review prior to [granting a five (5) year renewal
3 of the charter] renewing the charter pursuant to section 1720-
4 A(a)(2). The local board of school directors shall have ongoing
5 access to the records and facilities of the charter school or
6 regional charter school to ensure that the charter school or
7 regional charter school is in compliance with its charter and
8 this act and that requirements for testing, civil rights and
9 student health and safety are being met.

10 (2) Ongoing access to a charter school's or regional charter
11 school's records shall mean that the local board of school
12 directors shall have access to records such as financial
13 reports, financial audits, teacher certification and personnel
14 records, and aggregate standardized test scores without student-
15 identifying information.

16 (3) Charter schools and regional charter schools shall
17 comply fully with the requirements of the Family Educational
18 Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. §
19 1232g) and associated regulations. No personally identifiable
20 information from education records shall be provided by the
21 charter school or regional charter school to the school district
22 except in compliance with the Family Educational Rights and
23 Privacy Act of 1974.

24 (b) In order to facilitate the local board's review and
25 secretary's report, each charter school or regional charter
26 school shall submit an annual report no later than August 1 of
27 each year to the local board of school directors and the
28 secretary in the form prescribed by the secretary.

29 [(c) Five (5) years following the effective date of this
30 article, the secretary shall contract with an independent

1 professional consultant with expertise in public and private
2 education. The consultant shall receive input from members of
3 the educational community and the public on the charter school
4 program. The consultant shall submit a report to the secretary,
5 the Governor and the General Assembly and an evaluation of the
6 charter school program, which shall include a recommendation on
7 the advisability of the continuation, modification, expansion or
8 termination of the program and any recommendations for changes
9 in the structure of the program.]

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

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

20 (2) Full review of expense reimbursements for board of
21 trustees members and administrators, including sampling of all
22 reimbursements.

23 (3) Review of internal controls, including review of
24 receipts and disbursements.

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

30 (5) Review of the financial statements of any charter school

1 foundation.

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

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

10 (e) The certified audit under subsection (d) and the annual
11 budget under subsection (g) are public documents and shall be
12 made available on the charter school entity's publicly
13 accessible Internet website, if available, and, in the case of a
14 charter school or regional charter school, on the school
15 district's publicly accessible Internet website.

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

19 (g) A charter school entity shall annually provide the
20 department and, in the case of a charter school or regional
21 charter school, shall annually provide the school district, with
22 a copy of the annual budget for the operation of the charter
23 school entity that identifies the following:

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

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

28 (3) The salaries of all administrators of the charter school
29 entity.

30 (4) All expenditures to an educational management service

1 provider.

2 (h) (1) Notwithstanding any other provision of law, a
3 charter school entity and any affiliated charter school
4 foundation shall make copies of its annual Federal and State tax
5 filings available upon request and on the charter school
6 entity's or foundation's publicly accessible Internet website,
7 if available, including Internal Revenue Service Form 990,
8 Return of Organization Exempt from Income Tax and all related
9 schedules and appendices.

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

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

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

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

25 (2) Failure to meet the requirements for student performance
26 [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or
27 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]
28 on assessments or failure to meet any performance standard set
29 forth in the written charter signed pursuant to section [1716-A]
30 1720-A.

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

3 (4) Violation of provisions of this article.

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

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

8 * * *

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

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

1 trustees.

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

24 * * *

25 Section 14.3. The act is amended by adding sections to read:

26 Section 1729.1-A. Evaluation of Educators.--(a) All
27 applications by a charter school entity for a charter or for the
28 renewal of a charter shall include a system of evaluation for
29 educators that includes:

30 (1) At least four (4) rating categories of educator

1 performance.

2 (2) Multiple measures of student performance which shall
3 include, but may not be limited to, value-added assessment
4 system data made available by the department under section 221
5 and student performance on the most recent assessments for which
6 results have been released by the department and may include
7 goals specific to the mission of the charter school entity's
8 charter.

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

12 (c) For purposes of this section, the term "educator" shall
13 include all professional employes who are certified as teachers
14 and noncertified staff members who teach in a charter school
15 entity.

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

17 (a) Establishment shall be as follows:

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

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

28 (ii) Each school district that granted the initial charter
29 of any charter school included in the proposed consolidation
30 approves, by a majority vote of the local board of school

1 directors, a resolution approving the consolidation as proposed
2 in the application submitted to the local board of school
3 directors pursuant to subsection (c). If a local board of school
4 directors does not adopt a resolution under this clause
5 approving or rejecting the proposed consolidation within forty-
6 five (45) days after receipt of the application, the school
7 district will be deemed to have approved the consolidation.

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

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

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

16 (3) Nothing under this section shall be construed to affect
17 or change the terms or conditions of any individual charter
18 previously granted that is consolidated under this section,
19 including, but not limited to, any obligation of a school
20 district to provide transportation for students enrolled in an
21 individual charter school within a multiple charter school
22 organization.

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

27 (1) Requirements for student performance set forth in 22 Pa.
28 Code Ch. 4 (relating to academic standards and assessment).

29 (2) Accepted standards of fiscal management or audit
30 requirements.

1 (3) Performance standards set forth by the performance
2 matrix established under section 1731.2-A or, prior to the
3 effective date of the regulations implementing the performance
4 matrix, a School Performance Profile score that is among the top
5 twenty-fifth percentile of Pennsylvania charter schools as
6 measured by the School Performance Profile for the most recent
7 year for which a School Performance Profile score is available;
8 Provided, that a charter school that has failed to meet any of
9 these requirements may consolidate if the consolidation includes
10 a charter school demonstrating that it has satisfied such
11 requirements for the most recent two (2) school years.

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

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

20 (2) The names of the charter schools seeking consolidation
21 under this section.

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

24 (4) An organizational chart clearly presenting the proposed
25 governance structure of the multiple charter school
26 organization, including lines of authority and reporting between
27 the board of trustees, chief administrator, administrators,
28 staff and any educational management service provider that will
29 play a role in providing management services to the charter
30 schools under its jurisdiction.

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

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

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

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

12 (9) Any other information as deemed necessary by the State
13 board.

14 (d) A multiple charter school organization may:

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

22 Nothing in this paragraph shall alter the manner in which
23 charter school performance on assessments is measured as
24 required under the No Child Left Behind Act of 2001 (Public Law
25 107-110, 115 Stat. 1425), or its successor Federal statute.

26 (2) Add existing charter schools to its organization by
27 obtaining the approval of the department and of the school
28 district that granted the initial charter of each charter school
29 proposed to be added under subsection (a)(1).

30 (3) Allow students enrolled in an individual charter school

1 to matriculate to another individual charter school under its
2 oversight so as to complete a course of instruction in an
3 educational institution from kindergarten through grade twelve
4 or otherwise in the best interests of the student.

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

15 (f) Appeals shall be as follows:

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

20 (2) In considering an appeal under this section, the appeal
21 board shall:

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

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

30 (iii) Issue a written decision affirming or denying the

1 appeal no later than sixty (60) days following its review of the
2 certified record.

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

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

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

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

18 Section 1731.1-A. Fund Balance Limits.--Fund balance limits
19 shall be as follows:

20 (1) For the 2016-2017 school year and each school year
21 thereafter, a charter school entity shall not accumulate an
22 unassigned fund balance greater than the charter school entity
23 unassigned fund balance limit, which will be determined as
24 follows:

<u>Charter School Entity</u>	<u>Maximum Unassigned Fund</u>
<u>Total Budgeted Expenditures</u>	<u>Balance as Percentage of</u>
<u>Total Budgeted Expenditures</u>	<u>Total Budgeted Expenditures</u>
<u>Less than or equal to \$11,999,999</u>	<u>16%</u>
<u>Between \$12,000,000 and \$12,999,999</u>	<u>15.5%</u>
<u>Between \$13,000,000 and \$13,999,999</u>	<u>15%</u>

1	<u>Between \$14,000,000 and \$14,999,999</u>	<u>14.5%</u>
2	<u>Between \$15,000,000 and \$15,999,999</u>	<u>14%</u>
3	<u>Between \$16,000,000 and \$16,999,999</u>	<u>13.5%</u>
4	<u>Between \$17,000,000 and \$17,999,999</u>	<u>13%</u>
5	<u>Between \$18,000,000 and \$18,999,999</u>	<u>12.5%</u>
6	<u>Greater Than or Equal to \$19,000,000</u>	<u>12%</u>

7 (2) For the 2016-2017 school year and each school year
8 thereafter, any unassigned fund balance in place on June 30,
9 2017, and on June 30 of each year thereafter in excess of the
10 charter school entity unassigned fund balance limit shall be
11 refunded on a pro rata basis within ninety (90) days to all
12 school districts that paid tuition to the charter school entity
13 in the prior school year, based upon the number of students for
14 whom each school district paid tuition to the charter school
15 entity multiplied by the school district's per student payment
16 under section 1725-A.

17 (3) By October 31, 2017, and by October 31 of each year
18 thereafter, each charter school entity shall provide the
19 department and all school districts that paid tuition to the
20 charter school entity in the prior school year with information
21 certifying compliance with this section. The information shall
22 be provided in a form and manner prescribed by the department
23 and shall include information on the charter school entity's
24 estimated ending unassigned fund balance expressed as a dollar
25 amount and as a percentage of the charter school entity's total
26 budgeted expenditures for that school year.

27 (4) Unassigned funds of the charter school entity in excess
28 of the unassigned fund balance limit may not be used to pay
29 bonuses to any administrator, board of trustees member, employe,
30 staff member or contractor and may not be transferred to a

1 charter school foundation. If a charter school entity uses funds
2 in excess of the unassigned fund balance limit to pay bonuses to
3 any administrator, board of trustees member, employe, staff
4 member or contractor or transfers such funds to a charter school
5 foundation, the value of the bonus payment or fund transfer
6 shall be refunded on a pro rata basis to all school districts
7 that paid tuition to the charter school entity in the prior
8 school year, based upon the number of students for whom each
9 school district paid tuition to the charter school entity
10 multiplied by the school district's per student payment under
11 section 1725-A.

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

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

18 (ii) held in the General Fund accounts of the charter school
19 entity.

20 Section 1731.2-A. Performance Matrix.--The following shall
21 apply:

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

28 (2) The performance matrix shall assess performance by
29 utilizing objective criteria, including, but not limited to:
30 student performance on assessments; annual growth as measured by

1 the Pennsylvania Value-Added Assessment System; attendance;
2 attrition rates; graduation rates; other standardized test
3 scores; school safety; parent satisfaction; accreditation by a
4 nationally recognized accreditation agency, including the Middle
5 States Association of Colleges and Schools or another regional
6 institutional accrediting agency recognized by the United States
7 Department of Education or an equivalent federally recognized
8 body for charter school education; and other measures of school
9 quality, including measures for assessing teacher effectiveness.

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

16 (4) In developing the performance matrix, the State board
17 may:

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

21 (ii) To the extent possible, utilize an existing database
22 developed by the department, including the School Performance
23 Profile.

24 (5) Neither the department nor any local board of school
25 directors or other school district governing authority may
26 develop a separate performance matrix for the evaluation of a
27 charter school entity. The department shall review the
28 performance matrix every three (3) years to ensure the
29 performance matrix properly measures school quality and shall
30 submit any recommendations in writing to the State Board of

1 Education, the Education Committee of the Senate and the
2 Education Committee of the House of Representatives. Such
3 recommended revisions shall not take effect unless the State
4 Board of Education promulgates regulations to adopt the
5 revisions pursuant to the "Regulatory Review Act."

6 (6) (i) A local board of school directors or other school
7 district governing authority shall utilize the standard
8 performance matrix as a primary factor in evaluating renewal
9 charter school and regional charter school applicants and in
10 annual monitoring and evaluation of charter schools and regional
11 charter schools.

12 (ii) The department shall utilize the standard performance
13 matrix as a primary factor in evaluating renewal cyber charter
14 school applicants, in evaluating consolidation applications
15 under section 1729.2-A and in annual monitoring and evaluation
16 of cyber charter schools.

17 (7) (i) In developing the performance matrix and
18 promulgating the regulations required under clause (1), the
19 State board shall convene and consult with a Statewide advisory
20 committee which shall consist of representatives of the
21 department and a minimum of seven (7) representatives from
22 charter schools, regional charter schools, cyber charter schools
23 and school district personnel. Members of the committee shall be
24 selected to be representative of the urban, rural and suburban
25 areas of this Commonwealth.

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

30 (8) The department shall distribute the performance matrix

1 to all school districts and shall publish the matrix on the
2 department's publicly accessible Internet website.

3 Section 14.4. Section 1732-A of the act, amended or added
4 June 19, 1997 (P.L.225, No.22), and June 29, 2002 (P.L.524,
5 No.88), is amended to read:

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

9 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436,
10 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
11 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),
12 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
13 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,
14 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
15 Article XIII-A and Article XIV.

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

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

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

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

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

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

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

8 (9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and
9 financial disclosure).

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

12 [Section 5.216 (relating to ESOL).

13 Section 5.4 (relating to general policies).]

14 (1) Chapter 4 (relating to academic standards and
15 assessments).

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

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

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

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

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

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

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

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

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

1 Section 14.5. The act is amended by adding a section to
2 read:

3 Section 1733-A. Effect on Existing Charter School

4 Entities.--(a) Within one (1) year of the effective date of
5 this section, a charter school entity established under section
6 1717-A, 1718-A or 1745-A prior to the effective date of this
7 section shall amend its current charter through the amendment
8 process under section 1720-A(c) or 1745-A(f) (5) as needed to
9 reflect the requirements of this article. Any renewal that takes
10 effect after June 30, 2016, shall be for the term specified
11 under section 1720-A(a) (2) or 1745-A(f) (3).

12 (b) A charter school entity approved after the effective
13 date of this section shall be in full compliance with this
14 article.

15 (c) Within ninety (90) days of the effective date of this
16 section, each charter school entity shall demonstrate, to the
17 satisfaction of the local board of school directors or, in the
18 case of a cyber charter school, to the satisfaction of the
19 department, that the charter school entity is in compliance with
20 sections 1332 and 1333, including the institution of truancy
21 proceedings when required under section 1333.

22 Section 14.6. Sections 1741-A(c) and 1742-A of the act,
23 added June 29, 2002 (P.L.524, No.88), are amended to read:

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

25 * * *

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

30 Section 1742-A. Assessment and evaluation.

1 (a) The department shall:

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

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

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

18 (b) School districts, intermediate units, community colleges
19 and State system institutions shall provide a cyber charter
20 school with reasonable access to its facilities for the
21 administration of standardized testing as follows:

22 (1) A cyber charter school shall provide an intermediate
23 unit, school district, community college or State system
24 institution with at least 60 days' notice of the need for
25 facilities to be used for the administration of standardized
26 tests.

27 (2) Within 30 days of the cyber charter school's
28 request, the intermediate unit, school district, community
29 college or State system institution shall notify the cyber
30 charter school of the location of the facilities that will be

1 provided, which shall be a quiet, separate location in which
2 cyber charter school students will not be commingled with
3 students of the intermediate unit, school district, community
4 college or State system institution.

5 (3) An intermediate unit, school district of residence,
6 community college or State system institution shall not be
7 required to make facilities available to a cyber charter
8 school on dates and times that may cause undue interference
9 with the educational programs of the intermediate unit,
10 school district, community college or State System
11 institution.

12 (4) Any facilities rental fee charged to the cyber
13 charter school and the payment thereof shall be in compliance
14 with the facility rental policy of the intermediate unit,
15 school district, community college or State system
16 institution that applies generally to all organizations and
17 community groups.

18 Section 14.7. Section 1743-A(e) of the act, added June 29,
19 2002 (P.L.524, No.88), is amended to read:

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

22 * * *

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

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

27 (2) provide all equipment, including, but not limited
28 to, a computer, computer monitor and printer; provided, that
29 a parent or guardian of more than one child who is enrolled
30 in the same cyber charter school may elect not to receive a

1 separate computer, computer monitor and printer for each
2 enrolled child; and

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

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

9 * * *

10 Section 14.8. Sections 1744-A, 1745-A and 1749-A(a) and (c)
11 of the act, added June 29, 2002 (P.L.524, No.88), are amended to
12 read:

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

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

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

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

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

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

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

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

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

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

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

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

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

1 penalties for violation of compulsory attendance requirements
2 under section 1333.

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

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

16 (f) Evaluation criteria.--

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

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

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

27 (iii) The extent to which the programs outlined in
28 the application will enable students to meet the academic
29 standards under 22 Pa. Code Ch. 4 (relating to academic
30 standards and assessment) or subsequent regulations

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

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

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

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

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

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

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

30 (iii) Upon the effective date of the regulations

1 implementing the performance matrix as required pursuant
2 to section 1731.2-A, the following shall apply:

3 (A) For cyber charter schools that have
4 satisfied the academic quality benchmark established
5 by the State board pursuant to section 1731.2-A, a
6 charter may be renewed for ten-year periods upon
7 reauthorization by the department; provided that,
8 beginning in the sixth year of any ten-year period of
9 renewal under this subclause, the charter of any
10 cyber charter school that fails for two consecutive
11 years to satisfy the academic quality benchmark
12 established by the State board under section 1731.2-A
13 shall be subject to review by the department.

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

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

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

25 (ii) Within 60 days of its receipt of the request
26 for an amendment, the department shall hold a public
27 hearing on the requested amendment under 65 Pa.C.S. Ch. 7
28 (relating to open meetings).

29 (iii) Within 20 days after the hearing, the
30 department shall grant or deny the requested amendment.

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

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

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

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

17 Section 1749-A. Applicability of other provisions of this act
18 and of other acts and regulations.

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

21 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
22 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,
23 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,
24 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
25 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,
26 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-
27 B, 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A,
28 1719-A, 1721-A, 1722-A, [1723-A(a) and (b)] 1723-A(a), (b)
29 and (d), 1724-A, 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and
30 (h), 1729-A, 1729.1-A, 1730-A, 1731-A(a) (1) and (b), 1731.1-

1 A, 1731.2-A, 1733-A and 2014-A and Articles [XII-A,] XIII-A
2 and XIV.

3 (1.1) Act of July 19, 1957 (P.L.1017, No.451), known as
4 the State Adverse Interest Act.

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

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

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

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

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

25 (7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

26 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and
27 financial disclosure).

28 * * *

29 (c) Existing charter schools.--

30 (1) The charter of a charter school approved under

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

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

10 (i) Section 1743-A(c), (d), (e), (f), (g), (h) and
11 (i).

12 (ii) Section 1744-A.

13 (iii) Section 1748-A.

14 Section 15. Section 1855 of the act, amended June 22, 2001
15 (P.L.530, No.35), is amended to read:

16 Section 1855. Vocational Education Equipment Grants.--(a)
17 For the 2000-2001 fiscal year and the 2001-2002 fiscal year, the
18 Department of Education shall establish a grant program to
19 assist area vocational-technical schools, school districts
20 offering approved vocational-technical programs and the Thaddeus
21 Stevens State College of Technology in purchasing equipment that
22 meets industry standards for the purpose of providing training
23 to students. Grants shall be limited to the purchase of
24 equipment in the following program areas: automotive technology,
25 auto body, diesel technology, precision machine technology,
26 heating ventilation and air conditioning, printing, dental
27 assisting, electronics, building trades and other program areas
28 approved by the Secretary of Education. Grants shall be awarded
29 by the Department of Education on a matching basis, two State
30 dollars (\$2) for every local dollar (\$1), and shall be limited

1 to funds appropriated for that purpose.

2 (b) For the 2015-2016 school year, the Department of
3 Education shall establish a grant program to assist each area
4 vocational-technical school and school district with an approved
5 vocational program that applies for and is approved for funding
6 by the Department of Education to purchase equipment that meets
7 industry standards. Grants shall be distributed in an amount to
8 be calculated as follows:

9 (1) A base amount of three thousand dollars (\$3,000).

10 (2) A per-student amount calculated as follows:

11 (i) Multiply the 2014-2015 average daily membership in
12 approved vocational education programs for each area vocational-
13 technical school or school district that has been approved for
14 funding by the department by the difference between the amount
15 appropriated for career and technical education equipment grants
16 and the sum of the funding distributed under paragraph (1) to
17 all area vocational-technical schools and school districts.

18 (ii) Divide the product from subparagraph (i) by the sum of
19 the 2014-2015 average daily membership in approved vocational
20 education programs for all area vocational-technical schools and
21 school districts that have been approved for funding by the
22 department.

23 (c) The application to apply for funding under subsection
24 (b) shall be developed by the department within thirty days of
25 the effective date of this section and only require the
26 following, which may be collected electronically:

27 (1) Name, address, e-mail address and telephone number of
28 the area vocational-technical school or school district.

29 (2) Name, e-mail address and telephone number of an employee
30 of the area vocational-technical school or school district who

1 will be available to answer questions regarding the funding
2 application.

3 (3) Description of the equipment for which the requested
4 funding will be used; the career and technical education program
5 in which the equipment will be used; the date on which the
6 occupational advisory committee recommended the purchase of the
7 equipment; and verification that the equipment will be used for
8 technical classroom instruction.

9 (d) The department may not request and consider any
10 information other than the information provided in the funding
11 application.

12 (e) Each area vocational-technical school or school district
13 with an approved vocational program that submits a completed
14 funding application shall receive funding in the amount
15 determined under subsection (b).

16 (f) For purposes of this section, "occupational advisory
17 committee" shall mean an occupational advisory committee
18 established pursuant to 22 Pa. Code Ch. 339 (relating to
19 vocational education).

20 Section 16. Section 1904-A(d) of the act, added July 4, 2004
21 (P.L.536, No.70), is amended to read:

22 Section 1904-A. Election or Appointment; Term and
23 Organization of Board of Trustees.--* * *

24 (d) Notwithstanding the provisions of subsections (a) and
25 (b), the board of trustees of a community college may appoint a
26 trustee from each county where a campus or satellite classroom
27 is located for which no local sponsor exists[.] and, for a
28 community college that is located in a county of the third class
29 with a population between 290,000 and 310,000 as of the 2010
30 census, may appoint up to two trustees from a county where a

1 campus is located for which no local sponsor exists. The trustee
2 shall be selected by the board of trustees of the community
3 college. Trustees appointed under the provisions of this
4 subsection shall be appointed for terms of two years.

5 Section 17. Section 1913-A(b) (1.6) (v) and (1.7) (ii) of the
6 act, amended July 9, 2008 (P.L.846, No.61) and July 9, 2013
7 (P.L.408, No.59), are amended and clause (1.6) is amended by
8 adding a subclause to read:

9 Section 1913-A. Financial Program; Reimbursement of
10 Payments.--* * *

11 (b) * * *

12 (1.6) For the 2006-2007 fiscal year and each fiscal year
13 thereafter, the payment for a community college shall consist of
14 the following:

15 * * *

16 (v) Subclauses (i), (ii), (iii) and (iv) shall not apply to
17 the 2011-2012, 2012-2013 [and], 2013-2014 and 2014-2015 fiscal
18 years, and each fiscal year thereafter.

19 * * *

20 (ix) For the 2015-2016 fiscal year, each community college
21 shall receive an amount equal to the sum of the following:

22 (A) An amount equal to the amount allocated to the community
23 college for operating costs under subclause (viii) (A).

24 (B) An amount equal to the amount allocated to a community
25 college for the economic development stipend under subclause
26 (viii) (B).

27 (C) An amount determined for each community college as
28 follows:

29 (I) Divide the sum of the amounts of funding the community
30 college received under paragraphs (A) and (B) by the total

1 amount of funding provided under paragraphs (A) and (B) for all
2 community colleges.

3 (II) Multiply the quotient in subparagraph (I) by the
4 difference between the appropriation for payment of approved
5 operating expenses of community colleges in fiscal year 2014-
6 2015 and fiscal year 2013-2014.

7 (D) An amount determined for each community college as
8 follows:

9 (I) Multiply the audited full-time equivalent enrollment as
10 verified under subsection (k.1) for the most recent year
11 available for the community college by the difference between
12 the appropriation for payment of approved operating expenses of
13 community colleges in fiscal year 2015-2016 and fiscal year
14 2014-2015.

15 (II) Divide the product in subparagraph (I) by the sum of
16 the audited full-time equivalent enrollment as verified under
17 subsection (k.1) for the most recent year available for all
18 community colleges.

19 * * *

20 (1.7) The payment for a community college shall include an
21 economic development stipend which shall consist of the
22 following:

23 * * *

24 (ii) For the 2006-2007 through 2008-2009 fiscal [year and
25 each fiscal year thereafter] years, each community college shall
26 receive, subject to the provisions of subclause (iii), an amount
27 determined by:

28 (A) Adding the following:

29 (I) the number of full-time equivalent students enrolled in
30 high-priority and high-instructional-cost occupation programs at

1 the community college multiplied by 1.50;

2 (II) the number of full-time equivalent students enrolled in
3 high-priority occupation programs at the community college
4 multiplied by 1.25; and

5 (III) the number of full-time equivalent students enrolled
6 in noncredit workforce development courses at the community
7 college.

8 (B) Dividing the total from paragraph (A) by the sum of the
9 totals from paragraph (A) for all community colleges.

10 (C) Multiplying the amount from paragraph (B) by the amount
11 allocated for the economic development stipend pursuant to
12 clause (1.6)(ii).

13 (D) Applying the following:

14 (I) For the 2006-2007 fiscal year, for the first, second and
15 third quarter payments made in the 2007-2008 fiscal year, and
16 for the first and second quarter payments made in the 2008-2009
17 fiscal year and each fiscal year thereafter, the number of full-
18 time equivalent students shall be determined based upon the
19 final midyear rebudget submitted by a community college for the
20 prior fiscal year. Such rebudget shall be submitted, as required
21 by the Department of Education, no later than May 31, 2006, and
22 May 31 of each year thereafter.

23 (II) For the 2007-2008 fiscal year, the Department of
24 Education shall provide the fourth quarter payment to each
25 community college under this subclause based upon the number of
26 full-time equivalent students enrolled in high-priority and
27 high-instructional-cost occupation programs, high-priority
28 occupation programs and noncredit workforce development courses
29 for the 2006-2007 fiscal year, as verified in the audited
30 financial statement required under subsection (k.1).

1 (III) For the 2008-2009 fiscal year and each fiscal year
2 thereafter, the Department of Education shall provide the third
3 and fourth quarter payments to each community college under this
4 subclause based upon the number of full-time equivalent students
5 enrolled in high-priority and high-instructional-cost occupation
6 programs, high-priority occupation programs and noncredit
7 workforce development courses for the immediately preceding
8 fiscal year, as verified in the audited financial statement
9 required under subsection (k.1).

10 * * *

11 Section 18. Section 1902-C introductory paragraph of the
12 act, added June 25, 1997 (P.L.297, No.30), is amended and the
13 section is amended by adding a subsection to read:

14 Section 1902-C. Applications.--(a) Applicants shall submit
15 applications at the time, in the manner and containing or
16 accompanied by such information as the department may prescribe
17 but, in any case, shall document the following:

18 * * *

19 (b) A school district, combination of school districts or
20 charter school that makes an application to establish an
21 alternative education program shall submit initial and renewal
22 applications along with a fee of four hundred dollars (\$400) as
23 prescribed by the department. The money collected shall be
24 deposited into a restricted account in the General Fund to be
25 known as the Alternative Education Program Account. The money in
26 the restricted account is hereby appropriated on a continuing
27 basis to the department.

28 Section 19. Section 1902-E of the act, added November 23,
29 1999 (P.L.529, No.48), is amended by adding a paragraph to read:

30 Section 1902-E. Contracts with Private Alternative Education

1 Institutions.--

2 * * *

3 (5) A private alternative education institution that makes
4 an application for approval to operate shall submit initial and
5 renewal applications along with a fee of one thousand dollars
6 (\$1,000) as prescribed by the department. The funds collected
7 shall be deposited into the Alternative Education Program
8 Account established in section 1902-C(b).

9 Section 20. The act is amended by adding an article to read:

10 ARTICLE XIX-G

11 RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES

12 Section 1901-G. (Reserved).

13 Section 1901.1-G. Legislative intent.

14 It is the intent of the General Assembly to provide for the
15 continued existence, operation and administration of the rural
16 regional college established under former Article XVII-E.1 of
17 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
18 Code.

19 Section 1901.2-G. Appropriations.

20 Appropriations for the operation of the rural regional
21 college shall have preferred status and be considered ordinary
22 expenses of State government.

23 Section 1902-G. Scope of article.

24 This article provides for the establishment of a rural
25 regional college in a multicounty rural area that is underserved
26 by comprehensive community college education and work force
27 development.

28 Section 1903-G. Definitions.

29 The following words and phrases when used in this article
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Annual." A 12-month period coterminous with the
3 Commonwealth's fiscal year beginning July 1 and ending June 30.

4 "Board of trustees." The board of trustees of a rural
5 regional college established under this article.

6 "Certified public accountant." A member of the American
7 Institute of Certified Public Accountants who has a minimum of
8 five years' verifiable experience in performing audits of
9 government funds for nonprofit organizations with a comparable
10 or larger annual budget.

11 "County." Any county in this Commonwealth.

12 "Middle States." The Middle States Association of Colleges
13 and Schools.

14 "Partner institution." One or more Middle States-accredited
15 institutions of higher education.

16 "Rural regional college." A public institution of higher
17 education which is established in a rural area and operated in
18 accordance with the provisions of this article as a college
19 which provides up to a two-year, postsecondary education not to
20 exceed the level of an associate of arts or sciences degree and
21 which is active in work force development.

22 "Rural regional college plan" or "plan." A plan for the
23 establishment and operation of a rural regional college under
24 this article.

25 "Secretary." The Secretary of Education of the Commonwealth
26 or such person as the secretary may designate to act on behalf
27 of the secretary with regard to any of the duties and
28 prerogatives imposed by this article.

29 "State Board." The State Board of Education.
30 Section 1904-G. Designations by secretary.

1 (a) Duties of secretary.--

2 (1) The secretary shall designate an established
3 nonprofit organization as defined under section 501(c)(3) of
4 the Internal Revenue Code of 1986 (Public Law 99-514, 26
5 U.S.C. § 501(c)(3)), which represents a rural multicounty
6 region underserved by a comprehensive community college
7 program, including work force development, to assist the
8 secretary with the designation under paragraph (2).

9 (2) Within 30 days of the designation under paragraph
10 (1), the secretary shall, in consultation with the nonprofit
11 organization, designate contiguous counties or parts of
12 contiguous counties to be served by establishment of a rural
13 regional college.

14 (b) Changes.--No sooner than July 10, 2018, the secretary,
15 with approval of the board of trustees, may add counties or
16 parts of counties to be served by the rural regional college.
17 Section 1905-G. Designation and board of trustees.

18 Within 60 days of the secretary's designation under section
19 1904-G(a)(2), a board of trustees shall be appointed to
20 establish a rural regional college. The board of trustees shall
21 consist of not fewer than seven members nor more than 15 members
22 appointed by the secretary in consultation and jointly with the
23 nonprofit organization designated under section 1904-G(a)(1).
24 The following shall apply to the board of trustees established
25 under this section:

26 (1) Members of the board of trustees shall be
27 representative of the area designated under section 1904-G(a)
28 (2) and may include school administrators, community
29 education council officials, business leaders and government
30 officials.

1 (2) Members of the board of trustees shall be appointed
2 for terms of three years each, except that those persons
3 initially appointed shall draw lots to determine which
4 trustees shall serve for a term of three years, which
5 trustees shall serve for a term of two years and which
6 trustees shall serve for a term of one year. To the extent
7 practicable, from those trustees initially appointed, an
8 equal number shall draw lots to serve for a term of three
9 years, for a term of two years and for a term of one year.
10 Thereafter, all members shall be appointed for terms of three
11 years each.

12 (3) Vacancies on the board shall be filled by the
13 existing board. A trustee may succeed himself, provided that
14 no member shall serve for longer than 10 years.

15 (4) The secretary shall convene an initial meeting of
16 the board of trustees within 30 days of the secretary's
17 appointment of a board of trustees under this section. After
18 the initial meeting, the board of trustees shall meet at such
19 times each year as the board of trustees determines to be
20 necessary to satisfy the requirements of this article.

21 (5) The board of trustees shall adopt standing operating
22 rules and procedures, bylaws and articles of incorporation.

23 (6) The board of trustees shall establish an advisory
24 council of presidents, or their designees, from institutions
25 with postsecondary education programs within the region
26 designated under section 1904-G(a)(2). The advisory council
27 shall meet quarterly to discuss employer and work force
28 needs, new educational offerings and general coordination of
29 service and facilities. One advisory council member
30 representing a community college and one advisory council

1 member that is a president of a college or university shall
2 serve as cochairmen. The cochairmen of the advisory council
3 shall provide updates to the board of trustees as
4 appropriate.

5 (7) The board of trustees shall choose from among its
6 members a chairman, vice chairman and secretary.

7 (8) A majority of the members of the board of trustees
8 shall constitute a quorum.

9 (9) Trustees shall serve without compensation, except
10 that they shall be reimbursed by the rural regional college
11 for their actual and necessary expenses incurred in the
12 performance of their duties.

13 Section 1906-G. Establishment.

14 (a) General rule.--No later than October 30, 2016, the board
15 of trustees appointed under section 1905-G shall submit to the
16 secretary a proposed rural regional college plan in such form
17 and containing such information as the secretary may require. In
18 addition to other information which may be required by the
19 secretary, the plan shall include the following:

20 (1) A designation of the name of the proposed rural
21 regional college which shall be the "Rural Regional College
22 of _____ " or " _____ Rural Regional
23 College."

24 (2) A survey of the educational, vocational and
25 occupational needs of the area and the means by which the
26 proposed rural regional college will meet those needs,
27 reengage high school dropouts to earn their secondary
28 credentials and postsecondary credentials or industry
29 certification, reduce unemployment and improve the employable
30 skills of residents of the area to be served by the rural

1 regional college.

2 (3) An operating and financial plan for the proposed
3 rural regional college, including a plan for the capital
4 needs and expenses of the proposed rural regional college.

5 (4) A plan by which the rural regional college shall
6 seek accreditation by an accrediting association which is
7 recognized by the United States Department of Education.

8 (b) Submission of plan.--Within 60 days of the submission of
9 the rural regional college plan to the secretary, the secretary
10 shall issue an approval or rejection of the plan. A rejection of
11 the plan shall be accompanied by a written statement of the
12 reasons for the rejection of the plan. If the plan is rejected,
13 the board of trustees shall submit a revised plan to the
14 secretary within 60 days of the plan's rejection.

15 (c) Plan approval.--Upon the approval of the plan by the
16 secretary, the rural regional college shall be considered
17 established.

18 Section 1907-G. Powers and duties of board of trustees.

19 (a) General rule.--The board of trustees appointed under
20 section 1905-G shall administer and supervise the affairs of the
21 rural regional college established under this article. Subject
22 to any other law and to any regulations promulgated by the State
23 Board pertaining to rural regional colleges, the board of
24 trustees shall have the following powers and duties:

25 (1) To advance the mission of the rural regional college
26 in service to residents of the region designated under
27 section 1904-G(a)(2).

28 (2) To appoint and fix the salary of a president of the
29 rural regional college.

30 (3) To appoint and fix the salary of a chief financial

1 officer of the rural regional college.

2 (4) To hold, rent, lease, sell, purchase and improve
3 land, buildings, furnishings, equipment, materials, books and
4 supplies.

5 (5) To enter into contracts for services with community
6 education councils, schools, colleges or universities, or
7 with school districts or municipalities, and other applicable
8 or appropriate agencies and organizations to effectuate the
9 purposes of this article.

10 (6) To accept and receive gifts of real and personal
11 property and Federal, State and local money, loans and grants
12 and to expend the same.

13 (7) To make policies providing for the admission and
14 expulsion of students, the courses of instruction, the
15 tuition and fees to be charged and for all matters related to
16 the government and administration of the rural regional
17 college, provided that policies related to admission, tuition
18 and fees give preference to residents of the area designated
19 by the secretary under section 1904-G(a)(2).

20 (8) To submit to the secretary for approval proposed
21 amendments to the rural regional college plan.

22 (9) To enter into contracts for services to high schools
23 located in the area designated by the secretary under section
24 1904-G to provide services, including area vocational-
25 technical education services.

26 (10) To approve an annual budget to be submitted to the
27 secretary for funding.

28 (11) To exercise such other powers and perform such
29 other duties as are necessary to effectuate the purposes of
30 this article.

1 (b) Duties of board.--The board of trustees shall enter into
2 contracts, hold property and take other actions in the name of
3 the rural regional college.

4 (c) Initial partnership.--

5 (1) The board of trustees shall select initially a
6 partner institution to develop and offer accredited courses
7 and programs of study at the approved sites of operation
8 which have been selected by the board of trustees.

9 (2) The partner institution shall select programs only
10 with approval of the board of trustees and consistent with
11 the partner institution's accreditation and shall be
12 responsible for staffing and evaluation and provision of
13 other support services as may be required for students.

14 (3) The board of trustees may contract with other
15 colleges to provide curricula not available through the
16 partner institution.

17 (4) As the rural regional college is able to operate on
18 its own, a transition plan and budget shall be included in
19 the contract between the rural regional college and the
20 partner institution to efficiently expedite the transition.

21 (5) Nothing in this article shall be construed to
22 preclude the board of trustees from contracting for specific
23 services or programs following the transition from the
24 initial partner institution.

25 Section 1908-G. Officers of rural regional college.

26 (a) President.--The president shall be the chief executive
27 and administrative officer of the rural regional college and
28 shall perform all duties which the board of trustees may
29 prescribe. The president shall have the right to attend meetings
30 of the board of trustees and to be heard on all matters before

1 it but shall have no right to vote on any matter.

2 (b) Chief financial officer.--The chief financial officer of
3 the rural regional college shall give a proper bond in such
4 amount and with such corporate surety as is approved by the
5 board of trustees. The chief financial officer shall file the
6 bond with the board of trustees. The account of the chief
7 financial officer shall be audited annually by a certified
8 public accountant or other qualified public accountant selected
9 by the board of trustees.

10 Section 1909-G. Students.

11 Any individual may apply for admission to the rural regional
12 college established under this article, provided that preference
13 in admissions, tuition and fees may be given to residents of the
14 multicounty area designated by the secretary under section 1904-
15 G(a)(2). In considering applicants for admission, the rural
16 regional college shall not discriminate on the basis of race,
17 color, gender, marital status, ethnic group or religion.

18 Section 1910-G. Tuition.

19 The tuition and fees charged by the rural regional college
20 shall be an amount determined by the board of trustees, in
21 accordance with the budget submitted to the secretary. The board
22 of trustees shall annually establish a separate schedule of
23 tuition and fees for students that reside inside the region
24 designated under section 1904-G(a)(2) and students that reside
25 outside the region.

26 Section 1911-G. Dissolution and transition of rural regional
27 college.

28 The rural regional college established under this article may
29 not be dissolved without the approval of the secretary. Upon
30 dissolution of the rural regional college, the Commonwealth

1 shall assume all assets and liabilities of the rural regional
2 college, except that such assets that are the property of any
3 partner institution that may be operating for and within the
4 rural regional college shall remain the property of the partner
5 institution.

6 Section 1912-G. Degrees.

7 The rural regional college established under this article may
8 award any type of diploma, technical or career training
9 certificate or associate degrees in the arts, sciences,
10 technologies or general education upon successful completion of
11 programs authorized by the board of trustees. As long as the
12 partner institution provides the accredited curricula and
13 courses under contract to the rural regional college, the
14 requirements of the accrediting agency shall pertain to the
15 granting of such awards.

16 Section 1913-G. Funding.

17 The rural regional college established under this article
18 shall be funded by tuition and fees established by the board of
19 trustees and may accept appropriations from the General
20 Assembly, grants from the Federal Government, grants from the
21 Commonwealth, grants from private foundations or any combination
22 thereof.

23 Section 1914-G. Financial aid.

24 (a) Initial partnership period.--During the rural regional
25 college's initial partnership with a partner institution, a
26 student enrolled in the rural regional college shall be eligible
27 for consideration for a Pennsylvania State Grant and other
28 Commonwealth-funded financial aid administered by the
29 Pennsylvania Higher Education Assistance Agency, provided that
30 the partner institution is an institution of higher education as

1 approved by and in accordance with rules and regulations of the
2 Pennsylvania Higher Education Assistance Agency.

3 (b) Posttransition period.--Upon the rural regional college
4 operating on its own without a partner institution, a student
5 shall only be eligible for consideration for a Pennsylvania
6 State Grant and any other Commonwealth-funded financial aid if
7 the rural regional college is approved by the Department of
8 Education, is accredited or a recognized candidate for
9 accreditation with an accrediting body recognized under rules
10 and regulations of the Pennsylvania Higher Education Assistance
11 Agency and satisfies any other institutional and administrative
12 program requirements as the Pennsylvania Higher Education
13 Assistance Agency may require.

14 Section 1915-G. Regulations.

15 The State Board may promulgate regulations under the act of
16 June 25, 1982 (P.L.633, No.181), known as the Regulatory Review
17 Act, as necessary to implement this article.

18 Section 1916-G. Reports.

19 The Legislative Budget and Finance Committee shall prepare
20 and submit to the General Assembly written interim and final
21 reports evaluating the operation of this article. The interim
22 report shall be submitted by June 30, 2018, and the final report
23 shall be submitted by June 30, 2022. Each report shall include,
24 but may not be limited to, the following:

25 (1) A review of the success of the rural regional
26 college established under this article in satisfying the
27 goals set forth in the rural regional college plan approved
28 by the secretary and in satisfying the needs of the
29 multicounty area the rural regional college was established
30 to serve.

1 (2) Demographic and program data, including the
2 following:

3 (i) Numbers of full-time and part-time faculty and
4 student enrollments, in total and within curricular
5 areas.

6 (ii) Dual enrollment participation.

7 (iii) Credit hours taught by faculty.

8 (iv) Distance learning courses offered.

9 (v) Articulation agreements with higher education
10 institutions.

11 (vi) Lists of courses with fewer than 20 students.

12 (vii) Lists of courses with more than 50 students.

13 Where available, student data shall be disaggregated by
14 categories, including gender, race and age.

15 (3) Student progress and achievement measures, including
16 the following:

17 (i) Retention rates related to student goals.

18 (ii) Graduation and completion rates after two,
19 three and four years.

20 (iii) Passing rates on certification and licensure
21 examinations.

22 (iv) Number of students employed within one year of
23 program completion.

24 (v) Placement into additional education or
25 employment in the student's field of study.

26 Where available, data shall be disaggregated by categories,
27 including gender, race and age.

28 (4) Economic and work force development measures,
29 including:

30 (i) Employer satisfaction.

1 (ii) Customized job training offerings.

2 (iii) Employment status.

3 (iv) Numbers of businesses and organizations served.

4 (5) Recommendations for future legislation.

5 Section 1917-G. Transfers of credits.

6 For purposes of facilitating the transfer of credits attained
7 by students of the rural regional college, the rural regional
8 college shall be considered a public institution of higher
9 education as defined in section 2001-C and, upon the rural
10 regional college being able to operate on its own, shall be
11 required to fulfill all the duties and obtain for its students
12 all the benefits of Article XX-C within two years of operation
13 of the established rural regional college.

14 Section 21. The act is amended by adding sections to read:
15 Section 2320. State aid for fiscal year 2015-2016.

16 Notwithstanding any other provision of law to the contrary,
17 each library subject to 24 Pa.C.S. Ch. 93 (relating to public
18 library code), shall be eligible for State aid for fiscal year
19 2015-2016, as follows:

20 (1) Funds appropriated for libraries shall be
21 distributed to each library under the following formula:

22 (i) Divide the amount of funding that the library
23 received in fiscal year 2014-2015 under section 1722-
24 J(18) of the act of April 9, 1929 (P.L.343, No.176),
25 known as The Fiscal Code, by the total State-aid subsidy
26 for fiscal year 2014-2015.

27 (ii) Multiply the quotient under subparagraph (i) by
28 the total State-aid subsidy for fiscal year 2015-2016.

29 (2) Following distribution of funds appropriated for
30 State aid to libraries under paragraph (1), any remaining

1 funds may be distributed at the discretion of the State
2 Librarian.

3 (3) If funds appropriated for State aid to libraries in
4 fiscal year 2015-2016 are less than funds appropriated in
5 fiscal year 2002-2003, the State Librarian may waive
6 standards as prescribed in 24 Pa.C.S. Ch. 93.

7 (4) Each library system receiving State aid under this
8 section may distribute the local library share of that aid in
9 a manner as determined by the board of directors of the
10 library system.

11 (5) In the case of a library system that contains a
12 library operating in a city of the second class, changes to
13 the distribution of State aid to the library shall be made by
14 mutual agreement between the library and the library system.

15 (6) In the event of a change in district library center
16 population prior to the effective date of this section as a
17 result of:

18 (i) a city, borough, town, township, school district
19 or county moving from one library center to another; or

20 (ii) a transfer of district library center status to
21 a county library system.

22 Funding of district library center aid shall be paid based on
23 the population of the newly established or reconfigured
24 district library center.

25 (7) In the event of a change in direct service area from
26 one library to another, the State Librarian, upon agreement
27 of the affected libraries, may redistribute the local library
28 share of aid to the library currently servicing the area.

29 Section 2502.53. Student-Weighted Basic Education Funding.--

30 (a) The General Assembly finds and declares that:

1 (1) The student-weighted basic education funding formula is
2 the result of the work of the Basic Education Funding Commission
3 established pursuant to section 123.

4 (2) In the 2014-2015 school year, the student-weighted basic
5 education funding formula is one part of the allocation
6 determined in section 2502.54.

7 (3) Beginning in the 2015-2016 school year, the student-
8 weighted basic education formula will be used to distribute the
9 difference between the amount appropriated for the school year
10 and the amount appropriated for the distribution under section
11 2502.54.

12 (b) For the 2015-2016 school year and each school year
13 thereafter, the Commonwealth shall pay to each school district a
14 basic education funding allocation which shall consist of the
15 following:

16 (1) An amount equal to the school district's transition to
17 student-weighted basic education funding allocation for the
18 2014-2015 school year under section 2502.54.

19 (2) A student-based allocation to be calculated as follows:

20 (i) Multiply the school district's student-weighted average
21 daily membership by the median household index and local effort
22 capacity index.

23 (ii) Multiply the product in subparagraph (i) by the
24 difference between the amount appropriated for the allocation of
25 basic education funding to school districts and the amount
26 appropriated for the allocation in paragraph (1).

27 (iii) Divide the product in subparagraph (ii) by the sum of
28 the products in subparagraph (i) for all school districts.

29 (c) For the purpose of this section:

30 (1) Student-weighted average daily membership for a school

1 district shall be the sum of the following:

2 (i) The average of the school district's three most recent
3 years' average daily membership.

4 (ii) The acute poverty average daily membership calculated
5 as follows:

6 (A) Multiply the school district's acute poverty percentage
7 by its average daily membership.

8 (B) Multiply the product in clause (A) by six-tenths (0.6).

9 (iii) The poverty average daily membership calculated as
10 follows:

11 (A) Multiply the school district's poverty percentage by its
12 average daily membership.

13 (B) Multiply the product in clause (A) by three-tenths
14 (0.3).

15 (iv) The concentrated poverty average daily membership for
16 qualifying school districts with an acute poverty percentage
17 equal to or greater than thirty percent (30%), to be calculated
18 as follows:

19 (A) Multiply the school district's acute poverty percentage
20 by its average daily membership.

21 (B) Multiply the product in clause (A) by three-tenths
22 (0.3).

23 (v) The number of the school district's limited English-
24 proficient students multiplied by six-tenths (0.6).

25 (vi) The average daily membership for the school district's
26 students enrolled in charter schools and cyber charter schools
27 multiplied by two-tenths (0.2).

28 (vii) The sparsity/size adjustment for qualifying school
29 districts with a sparsity/size ratio greater than the
30 sparsity/size ratio that represents the 70th percentile

1 sparsity/size ratio for all school districts calculated as
2 follows:

3 (A) Divide the school district's sparsity/size ratio by the
4 sparsity/size ratio that represents the 70th percentile for all
5 school districts.

6 (B) Subtract one (1) from the quotient in clause (A).

7 (C) Multiply the sum of subparagraphs (i), (ii), (iii),
8 (iv), (v) and (vi) by the amount in clause (B).

9 (D) Multiply the product in clause (C) by seven-tenths
10 (0.7).

11 (2) Local effort index for a school district shall be
12 calculated as follows:

13 (i) Determine the school district's local effort factor
14 calculated as follows:

15 (A) Multiply the school district's median household income
16 by its number of households.

17 (B) Divide the school district's local tax-related revenue
18 by the product in clause (A).

19 (C) Multiply the quotient in clause (B) by one thousand
20 (1,000).

21 (D) Divide the product in clause (C) by the Statewide median
22 of clause (C).

23 (ii) Determine the school district's excess spending factor,
24 to be calculated as follows:

25 (A) Divide the school district's current expenditures by the
26 sum of its average daily membership and the amounts in paragraph
27 (1) (ii), (iii), (iv), (v), (vi) and (vii).

28 (B) Divide the quotient in clause (A) by the Statewide
29 median of clause (A).

30 (C) Divide one (1) by the quotient in clause (B).

1 (iii) Multiply the school district's local effort factor by
2 the lesser of one (1) or the school district's excess spending
3 factor.

4 (3) Local capacity index for a qualifying school district
5 shall be calculated as follows:

6 (i) Divide the school district's local tax-related revenue
7 by the sum of its market value and personal income valuation.

8 (ii) Multiply the sum of the school district's market value
9 and personal income valuation by the Statewide median of
10 subparagraph (i).

11 (iii) Determine the school district's local capacity per
12 student by dividing the product in subparagraph (ii) by the sum
13 of its average daily membership and the amounts in paragraph (1)
14 (ii), (iii), (iv), (v), (vi) and (vii).

15 (iv) If the school district's local capacity per student is
16 less than the Statewide median of subparagraph (iii):

17 (A) Divide the school district's local capacity per student
18 by the Statewide median.

19 (B) Subtract the quotient in clause (A) from one (1).

20 (4) Local effort capacity index for a school district shall
21 equal the sum of its local effort index and local capacity
22 index.

23 (5) The data used to calculate the factors and indexes in
24 this section shall be based on the most recent years for which
25 data is available as determined by the Department of Education.

26 (d) For purposes of this section:

27 (1) "Households" shall mean the number of households in each
28 school district as determined by the most recent five-year
29 estimate of the United States Census Bureau's American Community
30 Survey.

1 (2) "Local tax-related revenue" shall mean the sum of school
2 district revenues for State property tax reduction allocation,
3 taxes levied and assessed, delinquencies on taxes levied and
4 assessed, revenue from local government units, and other local
5 revenues not specified elsewhere, as designated in the Manual of
6 Accounting and Financial Reporting for Pennsylvania Public
7 Schools.

8 (3) "Median household income" shall mean the median
9 household income for school districts and the State as
10 determined by the most recent five-year estimate of the United
11 States Census Bureau's American Community Survey.

12 (4) "Median household income index" shall mean a number
13 calculated as follows:

14 (i) Divide a school district's median household income by
15 the State median household income.

16 (ii) Divide one (1) by the quotient in subparagraph (i).

17 (5) "Size ratio" shall mean a number calculated as follows:

18 (i) Divide the average of a school district's three most
19 recent years' average daily membership by the Statewide average
20 of the three most recent years' average daily membership for all
21 school districts.

22 (ii) Multiply the amount in subparagraph (i) by five-tenths
23 (0.5).

24 (iii) Subtract the amount in subparagraph (ii) from one (1).

25 (6) "Sparsity ratio" shall mean a number calculated as
26 follows:

27 (i) Divide the average of a school district's three most
28 recent years' average daily membership by its total square miles
29 as reported in the latest decennial census as reported by United
30 States Census Bureau.

1 (ii) Divide the State total average daily membership by the
2 State total square miles.

3 (iii) Divide the quotient in subparagraph (i) by the
4 quotient in subparagraph (ii).

5 (iv) Multiply the quotient in subparagraph (iii) by five-
6 tenths (0.5).

7 (v) Subtract the product in subparagraph (iv) from one (1).

8 (7) "Sparsity/size ratio" shall mean a number calculated by
9 adding the following amounts:

10 (i) The sparsity ratio multiplied by four-tenths (0.4).

11 (ii) The size ratio multiplied by six-tenths (0.6).

12 (8) "Acute poverty percentage" shall mean the number of
13 children six to seventeen years of age living in a household
14 where the ratio of income to poverty is less than one hundred
15 percent (100%) of the Federal poverty guidelines divided by the
16 total number of children six to seventeen years of age as
17 determined by the most recent five-year estimate of the United
18 States Census Bureau's American Community Survey.

19 (9) "Poverty percentage" shall mean the number of children
20 six to seventeen years of age living in a household where the
21 ratio of income to poverty is between one hundred percent (100%)
22 and one hundred eighty-four percent (184%) of the Federal
23 poverty guidelines divided by the total number of children six
24 to seventeen years of age as determined by the most recent five-
25 year estimate of the United States Census Bureau's American
26 Community Survey.

27 Section 2502.54. Transition to Student-Weighted Basic
28 Education Funding for 2014-2015 School Year.--(a) For the 2014-
29 2015 school year, the Commonwealth shall pay to each school
30 district a transition to student-weighted basic education

1 funding allocation as follows:

2 (1) An amount equal to the basic education funding
3 allocation for the 2013-2014 school year.

4 (2) For a third class school district identified in
5 financial watch status under section 611-A for two or more years
6 that has curtailed its educational program by eliminating its
7 high school program and has assigned its pupils to a neighboring
8 school district through a written agreement with the neighboring
9 school district, an amount equal to three million dollars
10 (\$3,000,000), to be used as described in the written agreement
11 between the two school districts.

12 (3) For a second class school district declared to be in
13 financial recovery status under section 621-A(a)(1)(i)(B), an
14 amount equal to twelve million dollars (\$12,000,000), to be used
15 to reduce the school district's structural deficit.

16 (4) An allocation increase calculated for each school
17 district as follows:

18 ~~(i) Determine the greater of the amount in subsection (b)~~ <--
19 ~~prorated to three hundred fifty million dollars (\$350,000,000)~~
20 ~~or the amount in section 2502.53(b)(2) calculated with three~~
21 ~~hundred fifty million dollars (\$350,000,000).~~

22 ~~(ii) Multiply the amount from subparagraph (i) by three~~
23 ~~hundred fifty million dollars (\$350,000,000).~~

24 ~~(iii) Divide the amount from subparagraph (ii) by the total~~
25 ~~of the amounts in subparagraph (i) for all school districts.~~

26 (I) MULTIPLY THE AMOUNT FOR THE SCHOOL DISTRICT IN <--
27 SUBSECTION (B) BY THREE HUNDRED FIFTY MILLION DOLLARS
28 (\$350,000,000).

29 (II) DIVIDE THE PRODUCT IN SUBPARAGRAPH (I) BY THE TOTAL
30 AMOUNT IN SUBSECTION (B) FOR ALL SCHOOL DISTRICTS.

1 (III) CALCULATE THE AMOUNT IN SECTION 2502.53(B) (2) USING
2 THREE HUNDRED FIFTY MILLION DOLLARS (\$350,000,000) AS THE AMOUNT
3 APPROPRIATED.

4 (IV) DETERMINE THE GREATER OF SUBPARAGRAPH (II) OR (III).

5 (V) MULTIPLY THE AMOUNT FROM SUBPARAGRAPH (IV) BY THREE
6 HUNDRED FIFTY MILLION DOLLARS (\$350,000,000).

7 (VI) DIVIDE THE PRODUCT FROM SUBPARAGRAPH (V) BY THE TOTAL
8 OF THE AMOUNTS IN SUBPARAGRAPH (IV) FOR ALL SCHOOL DISTRICTS.

9 (VII) IF THE AMOUNT IN SUBPARAGRAPH (VI) IS LESS THAN THE
10 AMOUNT IN SUBPARAGRAPH (III) MULTIPLIED BY NINETY PERCENT (90%),
11 THE SCHOOL DISTRICT SHALL RECEIVE AN ADDITIONAL AMOUNT SUCH THAT
12 THE SUM OF SUBPARAGRAPH (VI) AND THIS SUBPARAGRAPH EQUALS NINETY
13 PERCENT (90%) OF THE AMOUNT IN SUBPARAGRAPH (III).

14 (b) An allocation increase for each school district that is
15 the sum of the following:

16 (1) An amount equal to the school district's original
17 accountability block grant allocation in 2010-2011 under section
18 1722-L(a) (10) of "The Fiscal Code" minus the school district's
19 allocation under section 1722-J(21) (i) of "The Fiscal Code."

20 (2) An amount equal to the school district's original
21 educational assistance program funding allocation in 2010-2011
22 under section 1722-L(a) (9) of "The Fiscal Code."

23 (3) An amount on account of tuition costs for resident
24 students enrolled in a charter school approved under section
25 1717-A or 1718-A or a cyber charter school approved under
26 section 1741-A calculated as follows:

27 (i) Multiply the tuition to Pennsylvania charter schools and
28 cyber charter schools as reported on the school district's 2013-
29 2014 annual financial report by one hundred fifty million
30 dollars (\$150,000,000).

1 (ii) Divide the product in clause (A) by the sum of the
2 products in clause (A) for all school districts.

3 (4) An amount to further provide basic education funding
4 calculated as follows:

5 (i) Subtract the school district's basic education funding
6 allocation for the 2009-2010 school year under section 1722-L(a)
7 (14) of "The Fiscal Code" from the school district's basic
8 education allocation for the 2013-2014 school year under section
9 1722-J(16) of "The Fiscal Code."

10 (ii) If the difference in subparagraph (i) is less than zero
11 dollars (\$0), multiply the difference in subparagraph (i) by
12 fifty-three million three hundred eighty-four thousand dollars
13 (\$53,384,000).

14 (iii) Divide the product in subparagraph (ii) by the sum of
15 the differences in subparagraph (ii) for all school districts
16 where the difference is less than zero dollars (\$0).

17 Section 2508.6. Career and Technical Education Career
18 Preparation.--For the 2015-2016 school year, the sum of eight
19 million dollars (\$8,000,000) shall be distributed on a
20 competitive basis to school districts and area vocational-
21 technical programs to offer college and career counseling in
22 middle and high schools in order to develop pathways for
23 students to pursue high-skill careers.

24 Section 22. Sections 2509.1 and 2509.5 of the act are
25 amended by adding subsections to read:

26 Section 2509.1. Payments to Intermediate Units.--* * *

27 (c.2) (1) For the 2015-2016 school year, five and four
28 tenths percent (5.4%) of the State special education
29 appropriation shall be paid to intermediate units on account of
30 special education services.

1 (2) Thirty-five percent (35%) of the amount under paragraph
2 (1) shall be distributed equally among all intermediate units.

3 (3) Sixty-five percent (65%) of the amount under paragraph
4 (1) shall be distributed to each intermediate unit in proportion
5 to the number of average daily membership of the component
6 school districts of each intermediate unit as compared to the
7 Statewide total average daily membership.

8 * * *

9 Section 2509.5. Special Education Payments to School
10 Districts.--* * *

11 (bbb) (1) During the 2015-2016 school year and each school
12 year thereafter, each school district shall receive an amount
13 equal to the amount it received during the 2013-2014 school year
14 under subsection (aaa) and a student-based allocation equal to
15 the difference between the amount allocated for special
16 education payments for school districts and the sum of the
17 amounts paid under subsection (aaa) during the 2013-2014 school
18 year to all school districts. The student-based allocation for
19 each school district shall be calculated as follows:

20 (i) Multiply the sum of the school district's weighted
21 special education student headcount and its sparsity/size
22 adjustment calculated under paragraph (2) (v) by its market
23 value/income aid ratio and its equalized millage multiplier
24 calculated under paragraph (2) (vi).

25 (ii) Multiply the product under subparagraph (i) by the
26 total amount available for the student-based allocation.

27 (iii) Divide the product under subparagraph (ii) by the sum
28 of the products under subparagraph (i) for all school districts.

29 (2) For the purposes of paragraph (1) (i):

30 (i) The weighted special education student headcount shall

1 be calculated for each school district as follows:

2 (A) Multiply the number of special education students who
3 reside in the school district for which the annual expenditure
4 is in Category 1 by one and fifty-one hundredths (1.51).

5 (B) Multiply the number of special education students who
6 reside in the school district for which the annual expenditure
7 is in Category 2 by three and seventy-seven hundredths (3.77).

8 (C) Multiply the number of special education students who
9 reside in the school district for which the annual expenditure
10 is in Category 3 by seven and forty-six hundredths (7.46).

11 (D) Add the products under clauses (A), (B) and (C).

12 (ii) The sparsity ratio shall be calculated for each school
13 district as follows:

14 (A) Divide the school district's average daily membership
15 per square mile by the Commonwealth's average daily membership
16 per square mile.

17 (B) Multiply the quotient under clause (A) by one-half
18 (0.5).

19 (C) Subtract the product under clause (B) from one (1).

20 (iii) The size ratio for each school district shall be
21 calculated as follows:

22 (A) Divide the school district's average daily membership by
23 the average of the average daily membership of all school
24 districts.

25 (B) Multiply the quotient under clause (A) by one-half
26 (0.5).

27 (C) Subtract the product under clause (B) from one (1).

28 (iv) The sparsity/size ratio for each school district shall
29 be calculated by adding forty percent (40%) of the sparsity
30 ratio and sixty percent (60%) of the size ratio.

1 (v) The sparsity/size adjustment for each school district
2 shall be calculated as follows:

3 (A) For a school district with a sparsity/size ratio less
4 than or equal to the sparsity/size ratio that represents the
5 seventieth percentile of the sparsity/size ratio of all school
6 districts, the school district's sparsity/size adjustment shall
7 be zero (0).

8 (B) For a school district with a sparsity/size ratio greater
9 than the sparsity/size ratio that represents the seventieth
10 percentile of the sparsity/size ratio of all school districts,
11 the school district's sparsity/size adjustment shall be
12 calculated as follows:

13 (I) Divide the school district's sparsity/size ratio by the
14 sparsity/size ratio that represents the seventieth percentile of
15 the sparsity/size ratio of all school districts.

16 (II) Subtract one (1) from the quotient under subclause (I).

17 (III) Multiply the remainder under subclause (II) by one-
18 half (0.5).

19 (IV) Multiply the product under subclause (III) by the
20 school district's weighted special education student headcount.

21 (vi) The equalized millage multiplier for each school
22 district shall be calculated as follows:

23 (A) For a school district with an equalized millage rate
24 greater than or equal to the equalized millage rate that
25 represents the seventieth percentile of the equalized millage
26 rate of all school districts, the school district's equalized
27 millage multiplier shall be one (1).

28 (B) For a school district with an equalized millage rate
29 less than the equalized millage rate that represents the
30 seventieth percentile of the equalized millage rate of all

1 school districts, the school district's equalized millage
2 multiplier shall be calculated by dividing the school district's
3 equalized millage rate by the equalized millage rate that
4 represents the seventieth percentile of the equalized millage
5 rate of all school districts.

6 (vii) The dollar ranges for the annual expenditure amounts
7 designated as Category 1, Category 2 and Category 3 under
8 subparagraph (i) shall be based on the information reported to
9 the department under section 1372(8). For the purposes of
10 subparagraph (i), Category 3 shall be the sum of the students
11 reported in Categories 3A and 3B under section 1372(8).

12 (viii) The data used to calculate the weighted special
13 education student headcount under subparagraph (i) shall be
14 based on information from the most recent year for which data is
15 available as determined by the Department of Education. The data
16 used to calculate the provisions under subparagraphs (ii),
17 (iii), (iv), (v) and (vi) shall be averaged for the three most
18 recent years for which data is available as determined by the
19 Department of Education.

20 Section 23. Section 2509.8(e) of the act, added December 23,
21 2003 (P.L.304, No.48), is amended and the section is amended by
22 adding a subsection to read:

23 Section 2509.8. Extraordinary Special Education Program
24 Expenses.--* * *

25 (e) For the 2003-2004 school year [and each school year
26 thereafter] through the 2013-2014 school year, the Department of
27 Education shall set aside one percent (1%) of the special
28 education appropriation for extraordinary expenses incurred in
29 providing a special education program or service to one or more
30 students with disabilities as approved by the Secretary of

1 Education. Such special education program or service shall
2 include, but not be limited to, the transportation of students
3 with disabilities; services related to occupational therapy,
4 physical therapy, speech and language, hearing impairments or
5 visual impairments; or training in orientation and mobility for
6 children who are visually impaired or blind.

7 (f) (i) For the 2015-2016 school year and each school year
8 thereafter, an amount equal to one percent (1%) of the special
9 education appropriation shall be distributed to school districts
10 and charter schools for extraordinary expenses incurred in
11 providing a special education program or service to one or more
12 students with disabilities as approved by the Secretary of
13 Education. Such special education program or service shall
14 include, but not be limited to, the transportation of students
15 with disabilities; services related to occupational therapy,
16 physical therapy, speech and language, hearing impairments or
17 visual impairments; or training in orientation and mobility for
18 children who are visually impaired or blind.

19 (ii) Funds distributed to a school district or charter
20 school under this subsection shall be allocated for students for
21 which expenses are incurred on an annual basis that are equal to
22 or greater than seventy-five thousand dollars (\$75,000) as
23 follows:

24 (A) For a student for whom expenses are equal to or greater
25 than seventy-five thousand dollars (\$75,000) and less than or
26 equal to one hundred thousand dollars (\$100,000), subtract the
27 State subsidies paid on behalf of the student to the school
28 district or, for a student enrolled in a charter school, the
29 charter school payment received by the charter school where the
30 child is enrolled from the expense incurred for the student and

1 multiply the difference by the school district's or charter
2 school's market value/personal income aid ratio.

3 (B) For a student for which expenses are greater than one
4 hundred thousand dollars (\$100,000), subtract the State
5 subsidies paid on behalf of the student to the school district
6 or, for a student enrolled in a charter school, the charter
7 school payment received by the charter school where the child is
8 enrolled from the expense incurred for the student.

9 (iii) No school district or charter school shall in any
10 school year receive an amount under subclause (i) which exceeds
11 the total amount of funding available multiplied by the
12 percentage equal to the greatest percentage of the State's
13 special education students enrolled in a school district or
14 charter school.

15 Section 24. Section 2509.14 of the act is repealed:

16 [Section 2509.14. Special Education Funding for Eligible
17 Students with Disabilities in Cost Category 3.--(a) For the
18 2014-2015 school year and each school year thereafter, the
19 Department of Education shall set aside an amount not less than
20 one percent (1%) of the State special education appropriation
21 above the level of the appropriation in the base year. The
22 Department of Education shall distribute this amount as provided
23 in subsection (b).

24 (b) For the 2014-2015 school year and each school year
25 thereafter, each school district in this Commonwealth shall
26 receive a pro rata share of the amount set aside under
27 subsection (a) based upon the number of eligible students
28 residing or enrolled in each school district and classified in
29 Cost Category 3 during the immediately preceding school year.

30 (c) The funding provided under this section shall be

1 accounted for as part of actual special education spending and
2 as part of the special education allocation received by a school
3 district, according to the definitions in section 2501. School
4 districts shall also account for the funding provided under this
5 section and the resulting services and supports for eligible
6 students through the special education plans, revisions, updates
7 and amendments required by section 2509.15.]

8 Section 25. Section 2510.3 of the act, added July 9, 2013
9 (P.L.408, No.59), is amended to read:

10 Section 2510.3. Assistance to School Districts Declared to
11 be in Financial Recovery Status or Identified for Financial
12 Watch Status.--(a) For the 2013-2014 and 2015-2016 fiscal year,
13 the Department of Education may utilize up to four million five
14 hundred thousand dollars (\$4,500,000) of undistributed funds not
15 expended, encumbered or committed from appropriations for grants
16 and subsidies made to the Department of Education to assist
17 school districts declared to be in financial recovery status
18 under section 621-A or identified for financial watch status
19 under section 611-A. The funds shall be transferred by the
20 Secretary of the Budget to a restricted account as necessary to
21 make payments under this section and, when transferred, are
22 hereby appropriated to carry out the provisions of this section.

23 (b) For the 2013-2014 fiscal year, the amount of seven
24 million five hundred thousand dollars (\$7,500,000) of
25 undistributed funds not expended, encumbered or committed from
26 appropriations for grants and subsidies made to the Department
27 of Education shall be transferred to the Financial Recovery
28 School District Transitional Loan Account to make loans as
29 provided under section 681-A.

30 Section 26. The act is amended by adding sections to read:

1 Section 2581. Reimbursement for School Districts Not
2 Submitting Required Documentation.--(a) For a school district
3 that has received Department of Education approval for
4 Commonwealth reimbursement of a construction or reconstruction
5 project, but fails to submit all additional project
6 documentation requested by the department within ninety (90)
7 days after the department's request, the department shall move:

8 (1) the project back in the reimbursement order until such
9 time as the school district complies with the information
10 request; and

11 (2) other projects up in the reimbursement order.

12 (b) The Secretary of Education may grant waivers to school
13 districts that fail to submit requested documentation under
14 subsection (a) and are in the process of reconciling financial
15 records or are facing litigation or bond refinancing delays.

16 Section 2582. Public School Building Lease and Debt Service
17 Reimbursements for Fiscal Year 2015-2016.--(a) For the 2015-
18 2016 fiscal year, the Department of Education shall utilize
19 undistributed funds not expended as of December 20, 2015, from
20 appropriations for payment on account of annual rental or
21 sinking fund charges on school buildings, including charter
22 schools, to make reimbursements for school building leases and
23 debt service necessary to make payments in fiscal year 2015-2016
24 under this article.

25 (b) This section shall not include reimbursement for debt
26 service meeting the criteria for bond issuance under Article
27 XXV-B.

28 Section 2599.6. Ready-to-Learn Block Grants.--(a) For the
29 2015-2016 school year, the Department of Education shall pay to
30 each school entity a Ready-to-Learn Block Grant equal to the

1 amount paid during the 2014-2015 school year under section 1722-
2 J of the act of April 9, 1929 (P.L.343, No.176), known as "The
3 Fiscal Code."

4 (b) Notwithstanding any provision of law to the contrary,
5 the revenues received by a school district under this section in
6 an amount equal to the amount received by the school district
7 under section 1722-J(21)(ii) of "The Fiscal Code" shall not be
8 included in the school district's budgeted total expenditure per
9 average daily membership used to calculate the amount to be paid
10 to a charter school entity under section 1725-A(a)(2) and (3).

11 (c) To be eligible to receive funding under this section,
12 each school entity shall submit a plan for approval to the
13 department outlining how the funding will be used.

14 (d) Funds distributed under this section shall be used for
15 the following purposes:

16 (1) According to the provisions contained in section
17 2599.2(b).

18 (2) Prekindergarten through grade 3 curriculum alignment
19 with the current academic standards.

20 (3) Teacher training and professional development
21 opportunities aligned with the current academic standards
22 designed to improve early literacy and STEM education in
23 prekindergarten through grade 3 classes.

24 (4) Prekindergarten through grade 3 extended learning
25 opportunities that allow for additional classroom instruction
26 before, during and after school.

27 (5) Establishing, maintaining or expanding a quality
28 prekindergarten program aligned with the current academic
29 standards.

30 (6) Establishing, maintaining or expanding a quality

1 full-day kindergarten program aligned with current academic
2 standards.

3 (7) Supplemental instruction and instructional coaches
4 for the current Keystone Exams.

5 (8) Implementation of the Pennsylvania Comprehensive
6 Literacy Plan.

7 (9) Efforts that improve student outcomes in STEM
8 education, including STEM training and professional
9 development for educators.

10 (10) Establishing, maintaining or expanding hybrid
11 learning models.

12 (11) Researching, establishing, maintaining or expanding
13 competency-based learning models.

14 (e) If insufficient funds are appropriated, payments shall
15 be made on a pro rata basis.

16 (f) For the purpose of this section, a "school entity" means
17 a school district, charter school or cyber charter school.

18 Section 27. The act is amended by adding an article to read:

19 ARTICLE XXV-B

20 SCHOOL DISTRICT DEBT REFINANCING BONDS

21 Section 2501-B. Definitions.

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

25 "Authority." The Commonwealth Financing Authority.

26 "Cost of a project." The term includes all items
27 reimbursable under law.

28 "Cost of PlanCon project." Approved reimbursable rentals and
29 approved reimbursable sinking fund charges, capital grants, any
30 necessary or appropriate reserves, costs of issuance and any

1 other financing costs related to a PlanCon project.

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

4 "Finance." The lending or providing of funds to a school
5 district for payment of the cost of a project and the provision
6 of funds for a PlanCon project.

7 "Financing Law." The provisions of 64 Pa.C.S. Ch. 15
8 (relating to Commonwealth Financing Authority).

9 "PlanCon project." The funding of approved reimbursable
10 rentals for approved leases and approved reimbursable sinking
11 fund charges authorized under section 2574 and capital grants
12 for a project authorized to be approved under section 2574.4.

13 "Project." As defined in 64 Pa.C.S. Ch. 15 (relating to
14 Commonwealth Financing Authority) or any project of a school
15 district that is eligible for reimbursement by the Commonwealth
16 as required under Subarticle (f) of Article XXV for approved
17 rental or sinking fund charges.

18 Section 2502-B. Bond issuance.

19 (a) Declaration of policy.--The General Assembly finds and
20 declares that:

21 (1) Funding the payment of reimbursements to school
22 districts for construction and reconstruction projects,
23 through the authority, is in the best interest of the
24 Commonwealth.

25 (2) The Financing Law is to be liberally construed to
26 effect the legislative and public purposes.

27 (3) One of those stated purposes is the protection of
28 "the health, safety and general welfare of the people of this
29 Commonwealth" pursuant to 64 Pa.C.S. § 1503(6) (relating to
30 findings and declaration of policy).

1 (4) In order to accomplish such a goal "it is desirable
2 to build, improve and finance facilities owned by
3 municipalities, municipal authorities and other authorities
4 and instrumentalities of the Commonwealth," which includes
5 school districts, pursuant to 64 Pa.C.S. § 1503(7).

6 (b) Authority.--Notwithstanding any other law the authority
7 shall establish a program to issue bonds on behalf of school
8 districts to provide reimbursements from the Commonwealth as
9 required under Article XXV for approved rental or sinking fund
10 charges.

11 (c) Debt or liability.--

12 (1) Bonds issued under this article shall not be a debt
13 or liability of the Commonwealth and shall not create or
14 constitute any indebtedness, liability or obligation of the
15 Commonwealth.

16 (2) Bond obligations shall be payable solely from
17 revenues or funds pledged or available for repayment as
18 authorized under this article.

19 (3) Each bond must contain on its face a statement that:

20 (i) The authority is obligated to pay the principal
21 of or interest on the bonds only from the revenues or
22 funds pledged or available for repayment as authorized
23 under this article.

24 (ii) Neither the Commonwealth nor any school
25 district is obligated to pay the principal of or interest
26 on the bonds.

27 (iii) The full faith and credit of the Commonwealth
28 or of any school district is not pledged to the payment
29 of the principal of or the interest on the bonds.

30 Section 2503-B. Limitations on bond issuance.

1 The authority may issue bonds for a PlanCon project in an
2 aggregate principal amount not to exceed \$2,500,000,000, unless
3 the authority and the department determine this amount is
4 insufficient to carry out the purposes of this article, then the
5 authority shall adopt a resolution to petition the Secretary of
6 the Budget to increase the maximum aggregate principal amount.
7 The Secretary of the Budget may approve the petition and, if
8 approved, shall publish notice of the approval in the
9 Pennsylvania Bulletin. The authority shall not issue any bonds
10 for the PlanCon project, except refunding bonds, after June 30,
11 2025. The authority, in consultation with the department and the
12 Office of the Budget, shall determine the principal amounts of
13 taxable and tax-exempt bonds to be issued during a fiscal year.
14 Notwithstanding any other limitation, the authority, at the
15 request of the department, may issue refunding bonds at any time
16 while bonds issued for the PlanCon project are outstanding,
17 provided that the final maturity of any series of bonds being
18 refunded shall not be extended. Interest on bonds issued for the
19 PlanCon project and refunding bonds authorized under this
20 section shall be payable at such time or times as the authority
21 shall determine in the resolution authorizing such bonds and
22 shall otherwise be subject to the other provisions of the
23 Financing Law. The aggregate principal amount of bonds set forth
24 in this section shall not be subject to the debt limitations set
25 forth in 64 Pa.C.S. § 1543 (relating to indebtedness).
26 Section 2504-B. Service agreement authorized.

27 The authority and the department may enter into any agreement
28 or service agreement to effectuate the purposes of this article,
29 including an agreement to secure bonds issued for a PlanCon
30 project, pursuant to which the department shall agree to pay

1 service charges to the authority in each fiscal year that the
2 bonds or refunding bonds are outstanding in amounts sufficient
3 to timely pay in full the debt service and any other financing
4 costs due on the bonds issued for the PlanCon project. The
5 department's payment of such service charges shall be subject to
6 and dependent upon the appropriation of funds by the General
7 Assembly to the department for payment of the service charges.
8 The service agreement may be amended or supplemented by the
9 authority and the department in connection with the issuance of
10 any series of bonds or refunding bonds authorized in this
11 section.

12 Section 2505-B. Deposit of bond proceeds.

13 The net proceeds of bonds, other than refunding bonds,
14 exclusive of costs of issuance, reserves and any other financing
15 charges, shall be transferred by the authority to the State
16 Treasurer for deposit into a restricted account established in
17 the State Treasury and held solely for the purpose of paying
18 costs of a PlanCon project which are due to school districts.
19 Payment by the department shall follow the process required by
20 Article VII, unless the department is specifically directed to
21 follow a different process by this article. The department shall
22 requisition payments due to school districts from that account.
23 To pay for expenses related to its administration of this
24 program, the department, with the approval of the Governor and
25 the authority, may charge a fee against the proceeds deposited
26 in the restricted account.

27 Section 2506-B. Sinking fund charges for school building
28 projects.

29 The following shall apply:

30 (1) All school districts which submitted completed

1 applications to the department prior to the effective date of
2 this section, and which vote to proceed with construction and
3 awarded bids on their construction contracts no later than
4 July 1, 2019, shall, as permitted by law, either be awarded a
5 one-time capital grant, if available, for the approved
6 project in lieu of approved reimbursement payments or, if not
7 available, shall receive payments in the form of
8 reimbursements.

9 (2) The department shall administer the payments due and
10 payable under this section, and shall determine the amount of
11 the capital grant due each school district which shall not
12 exceed the maximum reimbursable project amount.

13 Section 28. Section 2603-B of the act is amended by adding a
14 subsection to read:

15 Section 2603-B. Powers and Duties of the Board.--* * *

16 (1) Notwithstanding any other provision of law to the
17 contrary, the board shall require that each regulation prepared
18 by the Council of Basic Education or the Council of Higher
19 Education under section 2604-B and promulgated by the board
20 under the act of June 25, 1982 (P.L.633, No.181), known as the
21 "Regulatory Review Act," includes, in so far as the regulation
22 relates to costs to the Commonwealth, the fiscal note prepared
23 by the Office of the Budget pursuant to section 612 of the act
24 of April 9, 1929 (P.L.177, No.175), known as "The Administrative
25 Code of 1929."

26 Section 29. Repeals are as follows:

27 (1) The General Assembly finds that the repeal under
28 paragraph (2) is necessary for the addition of Article XIX-G
29 of the act.

30 (2) Article XVII-E.1 of the act of April 9, 1929

1 (P.L.343, No.176), known as The Fiscal Code, is repealed.

2 Section 30. The addition of Article XIX-G of the act is a
3 continuation of former Article XVII-E.1 of the act of April 9,
4 1929 (P.L.343, No.176), known as The Fiscal Code. The following
5 apply:

6 (1) Except as otherwise provided in Article XIX-G of the
7 act, all activities initiated under former Article XVII-E.1
8 of The Fiscal Code shall continue and remain in full force
9 and effect and may be completed under Article XIX-G of the
10 act. Orders, regulations, rules and decisions which were made
11 under former Article XVII-E.1 of The Fiscal Code and which
12 are in effect on the effective date of this section shall
13 remain in full force and effect until revoked, vacated or
14 modified under Article XIX-G of the act. Contracts,
15 obligations and collective bargaining agreements entered into
16 under former Article XVII-E.1 of The Fiscal Code are not
17 affected nor impaired by the repeal of former Article XVII-
18 E.1 of The Fiscal Code.

19 (2) Except as set forth in paragraph (3), any difference
20 in language between Article XIX-G of the act and former
21 Article XVII-E.1 of The Fiscal Code is intended only to
22 conform to the style of the Public School Code of 1949 and is
23 not intended to change or affect the legislative intent,
24 judicial construction or administration and implementation of
25 former Article XVII-E.1 of The Fiscal Code.

26 (3) Paragraph (2) does not apply to the addition of the
27 following provisions:

28 (i) Sections 1901.1-G and 1901.2-G of the act.

29 (ii) The reference to ~~June~~ OCTOBER 30, 2016, in
30 section 1906-G(a) of the act.

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1 (4) Any reference in any act to former Article XVII-E.1
2 of the act of April 9, 1929 (P.L.343, No.176), known as The
3 Fiscal Code, shall be considered to be a reference to Article
4 XIX-G of the act of March 10, 1949 (P.L.30, No.14), known as
5 the Public School Code of 1949.

6 Section 31. This act shall take effect as follows:

7 (1) The amendment or addition of sections 510.2, 1204,
8 1204.2, ~~1401(1)~~ 1401, 1414.3, 1414.4, 1414.5, 1414.6, 1414.7, <--
9 1414.8, 1525, 1602-B, 1611-B, 1613-B, 1703-A, 1715-A, 1716-A,
10 1716.1-A, 1717-A, 1719-A, 1720-A, 1721-A, 1722-A, 1723-A,
11 1728-A, 1729-A, 1729.1-A, 1729.2-A, 1733-A, 1741-A, 1742-A,
12 1743-A, 1744-A and 1745-A of the act shall take effect in 60
13 days.

14 (2) The remainder of this act shall take effect
15 immediately.