

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, JUNE  
28, 2016

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 school watch, and for State opportunity schools; in  
12 grounds and buildings, providing for posting of information  
13 and further providing for limitations on approval of public  
14 school building projects; and establishing the Public School  
15 Building Construction and Reconstruction Advisory Committee;  
16 in professional employees; further providing for payment of  
17 salaries in cases of sickness, injury or death; in  
18 certification of teachers, further providing for granting  
19 provisional college certificates and providing for  
20 provisional vocational education; in pupils and attendance,  
21 further providing for education and training of exceptional  
22 children; and for cost of tuition and maintenance of certain  
23 exceptional children in approved institutions; in school  
24 health services, further providing for definitions; providing  
25 for education of school employees in diabetes care and  
26 management, for diabetes care in schools, for possession and  
27 use of diabetes medication and monitoring equipment, for  
28 liability, for coordinating, supervising or educating not  
29 considered delegation and for diabetes care in nonpublic  
30 schools; in terms and courses of study, further providing for  
31 agreements with institutions of higher education; in

1 ~~education support services and educational assistance~~  
2 ~~programs, providing for supplemental online mathematics~~  
3 ~~support; in opportunities for educational excellence, further~~  
4 ~~providing for definitions, for responsibilities of school~~  
5 ~~entities and for concurrent enrollment agreements; in charter~~  
6 ~~schools, extensively revising and adding charter school~~  
7 ~~provisions; in vocational education, further providing for~~  
8 ~~vocational education equipment grants; in community colleges,~~  
9 ~~further providing for election or appointment and term and~~  
10 ~~organization of board of trustees, financial program and~~  
11 ~~payment reimbursement; in disruptive student programs,~~  
12 ~~further providing for applications; in private alternative~~  
13 ~~education institutions for disruptive students, further~~  
14 ~~providing for contracts with private alternative education~~  
15 ~~institutions; providing for rural regional college for~~  
16 ~~underserved counties; in funding for public libraries,~~  
17 ~~providing for State aid for fiscal year 2015 2016; in~~  
18 ~~reimbursements by Commonwealth and between school districts,~~  
19 ~~providing for student weighted basic education funding, for~~  
20 ~~transition to student weighted basic education funding for~~  
21 ~~2014 2015 school year and for career and technical education~~  
22 ~~career preparation; further providing for payments to~~  
23 ~~intermediate units, for special education payments to school~~  
24 ~~districts and for extraordinary special education program~~  
25 ~~expenses; repealing provisions relating to special education~~  
26 ~~funding for eligible students with disabilities in Cost~~  
27 ~~Category 3; further providing for assistance to school~~  
28 ~~districts declared to be in financial recovery status or~~  
29 ~~identified for financial watch status; providing for~~  
30 ~~reimbursement for school districts not submitting required~~  
31 ~~documentation, for public school building lease and debt~~  
32 ~~service reimbursements for fiscal year 2015 2016 and for~~  
33 ~~ready to learn block grants; providing for school district~~  
34 ~~debt refinancing bonds; in the State Board of Education,~~  
35 ~~further providing for powers and duties of the board; and~~  
36 ~~repealing provisions of The Fiscal Code relating to rural~~  
37 ~~regional college for underserved counties. IN PRELIMINARY~~ <--  
38 ~~PROVISIONS, FURTHER PROVIDING FOR KEYSTONE EXAMS; IN~~  
39 ~~PROFESSIONAL EMPLOYEES, FURTHER PROVIDING FOR PAYMENT OF~~  
40 ~~SALARIES IN CASES OF SICKNESS, INJURY OR DEATH; IN~~  
41 ~~CERTIFICATION OF TEACHERS, FURTHER PROVIDING FOR GRANTING~~  
42 ~~PROVISIONAL COLLEGE CERTIFICATES AND PROVIDING FOR~~  
43 ~~PROVISIONAL VOCATIONAL EDUCATION CERTIFICATE; IN TERMS AND~~  
44 ~~COURSES OF STUDY, FURTHER PROVIDING FOR AGREEMENTS WITH~~  
45 ~~INSTITUTIONS OF HIGHER EDUCATION; IN OPPORTUNITIES FOR~~  
46 ~~EDUCATIONAL EXCELLENCE, FURTHER PROVIDING FOR DEFINITIONS,~~  
47 ~~FOR RESPONSIBILITIES OF SCHOOL ENTITIES AND FOR CONCURRENT~~  
48 ~~ENROLLMENT AGREEMENTS; IN CHARTER SCHOOLS, EXTENSIVELY~~  
49 ~~REVISING AND ADDING CHARTER SCHOOL PROVISIONS; IN COMMUNITY~~  
50 ~~COLLEGES, FURTHER PROVIDING FOR ELECTION OR APPOINTMENT AND~~  
51 ~~TERM AND ORGANIZATION OF BOARD OF TRUSTEES; PROVIDING FOR~~  
52 ~~EDUCATIONAL TAX CREDITS; IN THE STATE BOARD OF EDUCATION,~~  
53 ~~FURTHER PROVIDING FOR POWERS AND DUTIES OF THE BOARD; AND~~  
54 ~~REPEALING PROVISIONS OF THE TAX REFORM CODE OF 1971 RELATED~~  
55 ~~TO EDUCATIONAL TAX CREDITS.~~

56 The General Assembly of the Commonwealth of Pennsylvania  
57 hereby enacts as follows:

1 ~~Section 1. Section 111(b), (c.1) and (j) (2) of the act of~~  
2 ~~March 10, 1949 (P.L.30, No.14), known as the Public School Code~~  
3 ~~of 1949, amended or added July 9, 2008 (P.L.846, No.61) and June~~  
4 ~~30, 2012 (P.L.684, No.82), are amended and the section is~~  
5 ~~amended by adding subsections to read:~~

6 ~~Section 111. Criminal History of Employes and Prospective~~  
7 ~~Employes; Conviction of Certain Offenses.~~

8 \* \* \*

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

27 ~~(c.1) Beginning April 1, 2007, administrators shall maintain~~  
28 ~~on file with the application for employment a copy of the~~  
29 ~~Federal criminal history record in a manner prescribed by the~~  
30 ~~Department of Education. At a minimum, the Department of~~

1 ~~Education shall prescribe a method for applicants to submit a~~  
2 ~~set of fingerprints to be transmitted to the Federal Bureau of~~  
3 ~~Investigation for Federal criminal history record information~~  
4 ~~pursuant to the applicable Federal law. The Federal criminal~~  
5 ~~history record information report shall be no more than [one (1)-~~  
6 ~~year] five (5) years old. Administrators shall maintain a copy~~  
7 ~~of the required information and shall require each applicant to~~  
8 ~~secure a Federal criminal history record information report that~~  
9 ~~may not be more than [one (1) year] five (5) years old at the~~  
10 ~~time of employment. A copy of the Federal criminal history~~  
11 ~~record information report shall be made available to the~~  
12 ~~applicant in a manner prescribed by the Department of Education.~~

13 \* \* \*

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

28 ~~(c.4) To the extent permitted by 23 Pa.C.S. § 6344.3(f)~~  
29 ~~(relating to continued employment or participation in program,~~  
30 ~~activity or service), an administrator may accept the reports~~

1 ~~identified in 23 Pa.C.S. § 6344(b)(1) and (3) obtained for~~  
2 ~~employment or volunteer requirements pursuant to 23 Pa.C.S. §~~  
3 ~~6344 in satisfaction of the requirements of subsections (b) and~~  
4 ~~(c.1), provided the reports are not more than sixty (60) months~~  
5 ~~old and the applicant provides the administrator with the report~~  
6 ~~described in subsection (j)(1) indicating that the individual~~  
7 ~~has not been disqualified from employment pursuant to subsection~~  
8 ~~(e) or (f.1). The applicant shall also provide an attestation~~  
9 ~~that the applicant has not been disqualified for employment~~  
10 ~~under 23 Pa.C.S. § 6344(c)(1). The administrator shall review~~  
11 ~~the reports and determine if the reports disclose information~~  
12 ~~that may require further action and shall maintain a copy of the~~  
13 ~~required reports.~~

14 \* \* \*

15 (j) \* \* \*

16 (2) ~~All current and prospective employes of a public or~~  
17 ~~private school, intermediate unit or area vocational technical~~  
18 ~~school shall complete the form described in clause (1),~~  
19 ~~indicating whether or not they have been arrested for or~~  
20 ~~convicted of an offense enumerated under subsections (e) and~~  
21 ~~(f.1), provided that any current employe who completed the form~~  
22 ~~on or before December 27, 2011, in compliance with clauses (1)~~  
23 ~~and (2) on that date and who has not been arrested for or~~  
24 ~~convicted of an offense enumerated under subsections (e) and~~  
25 ~~(f.1) shall not be required to complete an additional form under~~  
26 ~~this subsection every sixty (60) months as required in~~  
27 ~~subsection (c.3).~~

28 \* \* \*

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

1       Section 121. ~~Keystone Exams. (a) Subject to annual~~  
2 ~~appropriation, not later than the 2020-2021 school year, the~~  
3 ~~Department of Education shall develop and implement Keystone~~  
4 ~~Exams in the following subjects: algebra I, literature, biology,~~  
5 ~~English composition, algebra II, geometry, United States~~  
6 ~~history, chemistry, civics and government and world history. The~~  
7 ~~State Board of Education shall promulgate regulations, subject~~  
8 ~~to the act of June 25, 1982 (P.L.633, No.181), known as the~~  
9 ~~"Regulatory Review Act," necessary to implement this section.~~  
10       ~~(b) In addition to any requirements on the State Board of~~  
11 ~~Education under the "Regulatory Review Act", on the same date~~  
12 ~~that pursuant to the "Regulatory Review Act" the State Board of~~  
13 ~~Education submits a proposed regulation for or related to the~~  
14 ~~implementation of Keystone Exams under this section to the~~  
15 ~~Legislative Reference Bureau for publication of notice of~~  
16 ~~proposed rulemaking in the Pennsylvania Bulletin as required by~~  
17 ~~the act of July 31, 1968 (P.L.769, No.240), referred to as the~~  
18 ~~Commonwealth Documents Law, and thereafter on the same date it~~  
19 ~~submits the text of the final form regulation to the Independent~~  
20 ~~Regulatory Review Commission, it shall submit to the chairman~~  
21 ~~and minority chairman of the Education Committee of the Senate~~  
22 ~~and the chairman and minority chairman of the Education~~  
23 ~~Committee of the House of Representatives a detailed fiscal~~  
24 ~~impact statement that the proposed or final form regulation will~~  
25 ~~have on the Commonwealth, the communities, the school districts~~  
26 ~~and, if applicable, private and private religious schools. The~~  
27 ~~detailed fiscal impact statement shall include a comprehensive~~  
28 ~~fiscal note of all direct and indirect costs whether incurred in~~  
29 ~~preparation of the proposed or final form regulation or which~~  
30 ~~will be required as a result of the promulgation of the~~

1 ~~regulation to its best dollar estimate. The State Board of~~  
2 ~~Education may include narrative statements to accompany its best~~  
3 ~~dollar estimate, but may not do so in lieu of detailed best~~  
4 ~~estimated dollar amounts.~~

5 ~~(c) The following shall apply:~~

6 ~~(1) Notwithstanding section 2604 B(b) (2) (v), 22 Pa. Code §~~  
7 ~~4.24 (relating to high school graduation requirements), 4.51~~  
8 ~~(relating to State assessment system) or 4.51c (relating to~~  
9 ~~project based assessment) or any statute or regulation to the~~  
10 ~~contrary, the use of the Keystone Exam as a graduation~~  
11 ~~requirement or as a benchmark for the need for participation in~~  
12 ~~a project based assessment shall be delayed until the 2018-2019~~  
13 ~~school year.~~

14 ~~(2) The Department of Education shall investigate and~~  
15 ~~develop alternatives in addition to the use of the Keystone~~  
16 ~~Exams as a requirement for graduation and shall, within six (6)~~  
17 ~~months of the effective date of this paragraph, issue a report~~  
18 ~~of the Department of Education's findings and recommendations,~~  
19 ~~including proposed legislation, to the chairman and minority~~  
20 ~~chairman of the Education Committee of the Senate and the~~  
21 ~~chairman and minority chairman of the Education Committee of the~~  
22 ~~House of Representatives. The report shall, at a minimum,~~  
23 ~~contain a detailed plan and timeline within which the Department~~  
24 ~~of Education shall accomplish all of the following:~~

25 ~~(i) Implement alternative methods for students to~~  
26 ~~demonstrate proficiency for graduation in addition to the~~  
27 ~~Keystone Exams, project based assessment and other alternative~~  
28 ~~assessments provided for in 22 Pa. Code § 4.24.~~

29 ~~(ii) Improve and expedite the evaluation of project based~~  
30 ~~assessments.~~

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

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

~~Section 124. Powers and Duties of the Secretary of Education. (a) On behalf of the Commonwealth, the Secretary of Education shall have the authority and duty to enter into and administer membership in a regional compact and an interstate reciprocity agreement for the provision of postsecondary distance education by the following:~~

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

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

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

~~(c) The Postsecondary Distance Education Interstate Reciprocity Agreement Restricted Receipts Account is established~~



1 ~~as a special restricted receipts account within the General Fund~~  
2 ~~of the State Treasury, from which the department may draw moneys~~  
3 ~~for the purpose of agreement expenses, the costs of~~  
4 ~~administering and implementing the agreement and all other costs~~  
5 ~~associated with the activities of the department related to~~  
6 ~~implementation of this section. This account shall consist of~~  
7 ~~all administrative fees deposited under subsection (b) and State~~  
8 ~~funds appropriated for use under this section. The restricted~~  
9 ~~receipts account shall be subject to audit by the Auditor~~  
10 ~~General.~~

11 ~~(d) For purposes of this section, "institution of higher~~  
12 ~~education" shall have the meaning given in section 118 and~~  
13 ~~Article XIX-B.~~

14 ~~Section 510.2. Publication of Policies. Beginning with the~~  
15 ~~2016-2017 school year, the board of school directors of a school~~  
16 ~~district shall post on its publicly accessible Internet website~~  
17 ~~the following policies to the extent such policies are required~~  
18 ~~to be adopted by the school district under Federal or State law:~~

19 ~~(1) The following relating to students:~~

20 ~~(i) Admission of beginners.~~

21 ~~(ii) Attendance, excusals and truancy.~~

22 ~~(iii) Withdrawal from school.~~

23 ~~(iv) Student discipline.~~

24 ~~(v) Suspension and expulsion of students.~~

25 ~~(vi) Searches.~~

26 ~~(vii) Audio interception on school buses or school vehicles~~  
27 ~~for disciplinary or security purposes.~~

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

29 ~~(ix) Use of personal electronic devices.~~

30 ~~(x) Dress and grooming.~~

- 1 ~~(xi) Student complaint process.~~
- 2 ~~(xii) Parent appeal of a school district's placement of~~  
3 ~~twins or multiple birth siblings.~~
- 4 ~~(xiii) Participation by home school students in school~~  
5 ~~district extracurricular activities.~~
- 6 ~~(2) The following relating to educational programs:~~
- 7 ~~(i) Curriculum review by parents and students.~~
- 8 ~~(ii) Promotion and retention.~~
- 9 ~~(iii) Graduation requirements.~~
- 10 ~~(3) The following relating to student health:~~
- 11 ~~(i) Communicable diseases and immunization.~~
- 12 ~~(ii) Health examinations and screenings.~~
- 13 ~~(iii) Student use of medications.~~
- 14 ~~(iv) The school district's wellness policy.~~
- 15 ~~(4) The following relating to school property:~~
- 16 ~~(i) Use of school property and facilities.~~
- 17 ~~(ii) School visitation policies.~~
- 18 ~~(iii) Integrated pest management plan.~~
- 19 ~~(5) The following relating to community:~~
- 20 ~~(i) Public participation in school board meetings.~~
- 21 ~~(ii) Public attendance at school events.~~
- 22 ~~(iii) Parental involvement policy for parents and guardians~~  
23 ~~of students participating pursuant to section 1118 of the~~  
24 ~~Elementary and Secondary Education Act of 1965 (Public Law 89-~~  
25 ~~10, 20 U.S.C § 6318).~~
- 26 ~~(iv) Public access to and use of school district buildings,~~  
27 ~~facilities and grounds.~~
- 28 ~~(v) Public complaint process.~~

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

30 ARTICLE VI B

1 SCHOOL WATCH

2 Section 601 B. Scope.

3 This article relates to Public School Web Accountability and  
4 Transparency (SchoolWATCH).

5 Section 602 B. Definitions.

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

9 "Administrative staff." Employees of a public school entity  
10 that include, but are not limited to, superintendents, assistant  
11 superintendents, deputy superintendents, principals, assistant  
12 principals, supervisors, managers, directors and coordinators.

13 "Area vocational technical school." As defined in section  
14 1841.

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

16 "Charter school." As defined in section 1703 A.

17 "Charter school entity." A charter school, cyber charter  
18 school or regional charter school as defined in section 1703 A.

19 "Cyber charter school." As defined in section 1703 A.

20 "Department." The Department of Education of the  
21 Commonwealth.

22 "Facilities acquisition and construction expenditures."   
23 Expenditures related to the purchase or improvement of land,  
24 buildings, service systems and built in equipment.

25 "General fund balance." The balance in a public school  
26 entity's general fund, which shall not include nonspendable and  
27 restricted fund balances.

28 "Instructional expenditures." Expenditures related to all  
29 those activities dealing directly with the interaction between  
30 teachers and students and related costs, which can be directly

1 ~~attributed to a program of instruction.~~

2 ~~"Market value/personal income aid ratio." As defined in~~  
3 ~~sections 1703 A and 2501.~~

4 ~~"Noninstructional expenditures." Expenditures related to~~  
5 ~~activities concerned with providing noninstructional services to~~  
6 ~~students, staff or the community.~~

7 ~~"Other financing uses." Current debt service expenditures~~  
8 ~~and other expenses such as the refunding of debt and transfers~~  
9 ~~of money from one fund to another.~~

10 ~~"Public school entity." Any of the following:~~

11 ~~(1) An area vocational technical school.~~

12 ~~(2) A school district.~~

13 ~~(3) A charter school entity.~~

14 ~~"Regional charter school." As defined in section 1703 A.~~

15 ~~"School district." As defined in section 102.~~

16 ~~"School performance profile." A comprehensive overview of~~  
17 ~~student academic performance in a public school entity compiled~~  
18 ~~annually by the department.~~

19 ~~"Support services expenditures." Expenditures related to~~  
20 ~~those services that provide administrative support, technical~~  
21 ~~support, including, but not limited to, guidance and health, and~~  
22 ~~logistical support to facilitate and enhance instruction.~~

23 ~~Section 603 B. Financial information to be posted.~~

24 ~~(a) Information. Beginning May 31, 2016, and by May 31 each~~  
25 ~~year thereafter, the department shall post all of the following~~  
26 ~~for each public school entity on its publicly accessible~~  
27 ~~Internet website, to the extent the information is available to~~  
28 ~~the department:~~

29 ~~(1) The following financial information for the public~~  
30 ~~school entity for the most recent fiscal year for which the~~

~~public school entity reported such information to the  
department:~~

~~(i) Total expenditures in the following categories:~~

~~(A) Instructional.~~

~~(B) Support services.~~

~~(C) Noninstructional.~~

~~(D) Facilities acquisition and construction.~~

~~(E) Other financing uses.~~

~~(ii) The public school entity's per student  
expenditures, on each of the following bases:~~

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

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

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

~~(A) For regular education students.~~

~~(B) For special education students.~~

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

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

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

~~(vii) Total revenues from the following sources:~~

~~(A) Federal.~~

~~(B) State.~~

~~(C) Local.~~

~~(D) Other.~~

~~(viii) The public school entity's general fund~~

1 ~~balance.~~

2 ~~(2) A link to the most recent of each of the following~~  
3 ~~reports filed by the public school entity with the~~  
4 ~~department:~~

5 ~~(i) Summaries of financial report data.~~

6 ~~(ii) Nonadministrative staff compensation report.~~

7 ~~(iii) Administrative staff compensation report.~~

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

10 ~~(4) A statement instructing the public to contact the~~  
11 ~~public school entity for access to any union contract.~~

12 ~~(b) Posting. In posting financial information as required~~  
13 ~~under this section, the department shall:~~

14 ~~(1) Post and compile annually all information as a "View~~  
15 ~~Fiscal Information" icon located on a School Performance~~  
16 ~~Profile for each public school entity.~~

17 ~~(2) Post all information in a location and manner that~~  
18 ~~is easily accessible to the public.~~

19 ~~(3) Include all definitions and other explanatory~~  
20 ~~references that may be necessary to assist Internet website~~  
21 ~~users in understanding the posted information.~~

22 ~~(4) Use existing databases and electronic reporting~~  
23 ~~systems to the extent possible.~~

24 ~~(5) Provide for an electronic feature that will allow~~  
25 ~~the public to compare financial information for a minimum of~~  
26 ~~four public school entities.~~

27 ~~(6) Beginning with information pertaining to the 2012-~~  
28 ~~2013 fiscal year, post the information required under~~  
29 ~~subsection (a) (1) for at least the most recent three fiscal~~  
30 ~~years for which such information is available to the~~

~~department, including a trend graph displaying the change in the amount reported each year from the amount reported in the previous year.~~

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

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

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

#### ARTICLE VI C

#### STATE OPPORTUNITY SCHOOLS

~~Section 601 C. Scope.~~

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

~~Section 602 C. Definitions.~~

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

~~"Commission." The School Reform Commission established under section 696.~~

~~"Department." The Department of Education of the Commonwealth.~~

~~"Diagnostic audit." A comprehensive review of a school's organizational structure, school management, operations, academics, use of data and climate completed to identify the~~

1 ~~weaknesses and strengths of the school and areas for growth and~~  
2 ~~improvement within the school.~~

3 ~~"Education management service provider." A for profit or~~  
4 ~~nonprofit management organization, nonprofit charter management~~  
5 ~~organization, school design provider, business manager or any~~  
6 ~~other partner entity with which a school district contracts to~~  
7 ~~provide educational design, business services, comprehensive~~  
8 ~~management or personnel functions. The term does not include a~~  
9 ~~charter school foundation.~~

10 ~~"Eligible school." A school within a school district~~  
11 ~~designated by the school district under its performance metric~~  
12 ~~as an intervention school.~~

13 ~~"Intervention school." A school designated in the lowest~~  
14 ~~performance tier of a school district's performance metric.~~

15 ~~"Performance metric." The system created and utilized by a~~  
16 ~~school district to measure a school's academic performance.~~

17 ~~"Persistently low achieving school." An eligible school~~  
18 ~~designated by the secretary under section 603 C.~~

19 ~~"School district." A school district of the first class.~~

20 ~~"School improvement process." A school improvement plan~~  
21 ~~developed and implemented by the secretary.~~

22 ~~"Secretary." The Secretary of Education of the Commonwealth.~~  
23 ~~Section 603 C. Persistently low achieving schools.~~

24 ~~(a) Designation.—~~

25 ~~(1) Within 30 days of the effective date of this section~~  
26 ~~and by September 30 of each succeeding year, the secretary~~  
27 ~~shall identify eligible schools and designate persistently~~  
28 ~~low achieving schools.~~

29 ~~(2) The secretary shall have discretion to designate~~  
30 ~~persistently low achieving schools from the list of eligible~~



1 ~~schools created by the performance metrics.~~

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

5 ~~(4) The secretary shall designate five schools per year~~  
6 ~~as persistently low achieving.~~

7 ~~(b) Limitations. The secretary shall not identify a school~~  
8 ~~as persistently low achieving if the school:~~

9 ~~(1) Has been converted to a charter school or~~  
10 ~~renaissance model within the past three years.~~

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

12 ~~(3) Exclusively serves a historically underserved~~  
13 ~~population, including, but not limited to, returning truants,~~  
14 ~~homeless students, students with disabilities or adjudicated~~  
15 ~~minors.~~

16 ~~(4) Has a college matriculation rate that meets or~~  
17 ~~exceeds the local school district average.~~

18 ~~(5) Is a charter school whose academic performance as~~  
19 ~~measured by the most recent Pennsylvania School Performance~~  
20 ~~Profile exceeds the average Pennsylvania School Performance~~  
21 ~~Profile for schools in the authorizing school district.~~

22 ~~(c) Designation. Once designated, a persistently low-~~  
23 ~~achieving school shall enter the school improvement process as~~  
24 ~~set forth in section 604 C.~~

25 ~~Section 604 C. School improvement process.~~

26 ~~(a) Diagnostic audit. During the first academic year in~~  
27 ~~which a school has been designated a persistently low achieving~~  
28 ~~school, a diagnostic audit of the school shall be completed no~~  
29 ~~later than June 30. The audit shall be provided by the~~  
30 ~~department.~~

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

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

~~(2) Convert the persistently low achieving school to a charter school and guarantee admission to students who were enrolled in the school in the prior school year.~~

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

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

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

~~(6) Operate under one of the powers enumerated under section 606 C.~~

~~Section 605 C. Powers and duties of department.~~

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

~~(b) Charter schools. The authority of the department to~~

1 ~~authorize the grant of a charter to an applicant for a charter~~  
2 ~~school and the authority to convert a charter school shall be~~  
3 ~~limited as set forth in this section.~~

4 ~~(c) Criteria for conversion. Notwithstanding the provisions~~  
5 ~~of Article XVII A, the department may convert a school under its~~  
6 ~~jurisdiction to a charter school.~~

7 ~~(d) Limitations. For the school year 2017-2018, and each~~  
8 ~~school year thereafter, the department shall take one or more of~~  
9 ~~the actions under section 604 C(b) in persistently low achieving~~  
10 ~~schools. For the school year 2017-2018, and each school year~~  
11 ~~thereafter, the department shall take action under section 604-~~  
12 ~~C(b) (2) or (4) in at least two of the persistently low achieving~~  
13 ~~schools. Notwithstanding section 604 C(b), the number of schools~~  
14 ~~under the jurisdiction of the department may not exceed 15 at~~  
15 ~~any one time.~~

16 ~~(e) Charter schools. Notwithstanding any provision of law~~  
17 ~~to the contrary, in accordance with section 1720 A, the~~  
18 ~~department may revoke or opt not to renew a charter school~~  
19 ~~within its jurisdiction provided the department continues to~~  
20 ~~meet the requirements of section 605 C(d). The nonrenewal or~~  
21 ~~revocation may not be appealed to the State Charter School~~  
22 ~~Appeal Board. Any appeal of the nonrenewal or revocation shall~~  
23 ~~be to Commonwealth Court.~~

24 ~~(f) Authority to operate. The department may directly~~  
25 ~~operate a school or contract with individuals or education~~  
26 ~~management service providers to manage the day to day operations~~  
27 ~~of a persistently low achieving school, including, but not~~  
28 ~~limited to, providing direct services to students.~~

29 ~~(g) Intermediate unit services. The department may require~~  
30 ~~an intermediate unit to provide school support or student~~

~~1 support services for a school transferred from the intermediate  
2 unit's jurisdiction, including, but not limited to, student  
3 transportation, school food service, alternative schools and  
4 special education services, in compliance with laws and  
5 regulations governing such services. The department shall  
6 reimburse actual costs incurred by the intermediate unit in  
7 providing the services from funds received under section 610-C.~~

~~8 (h) Procurement. Notwithstanding any law to the contrary,  
9 the department has the same authority and autonomy afforded to a  
10 school district under State law regarding the procurement of  
11 property, goods and services, including, but not limited to,  
12 personal, professional, consulting and social services.~~

~~13 (i) Waiver. Any entity the department contracts with to  
14 operate or manage a school under the jurisdiction of the  
15 department may apply to the secretary for a waiver of any  
16 regulation or statutory provision that inhibits the ability of  
17 the school to increase student achievement. The secretary may  
18 waive any regulation or statutory provision that inhibits the  
19 ability of the school to increase student achievement.~~

~~20 Notwithstanding this subsection, the secretary may not waive  
21 rules related to the following:~~

- ~~22 (1) Federal and State civil rights.~~
- ~~23 (2) Federal, State and local health and safety.~~
- ~~24 (3) Federal and State public records.~~
- ~~25 (4) Possession of weapons on school grounds.~~
- ~~26 (5) Background checks and fingerprints of personnel.~~
- ~~27 (6) Federal and State special education requirements.~~
- ~~28 (7) Student due process.~~
- ~~29 (8) Parental rights.~~
- ~~30 (9) Federal and State student assessment and~~

1 ~~accountability.~~

2 ~~(10) Open meetings.~~

3 ~~(j) Funding. The department may seek, manage and expend~~  
4 ~~Federal money and grants and other funding with the same~~  
5 ~~authority as a school district.~~

6 ~~(k) Taxing power. The department has no authority to levy~~  
7 ~~any tax.~~

8 ~~Section 606 C. Department operated persistently low achieving~~  
9 ~~schools.~~

10 ~~(a) Powers of department. In addition to the powers granted~~  
11 ~~by law to school districts, and notwithstanding any other law to~~  
12 ~~the contrary, the department shall have the following powers as~~  
13 ~~to persistently low achieving schools operated by the~~  
14 ~~department:~~

15 ~~(1) To enter into agreements with persons or education~~  
16 ~~management service providers to operate the school. A school~~  
17 ~~operated under this paragraph shall be funded in accordance~~  
18 ~~with the terms of the agreement.~~

19 ~~(2) To employ professional and senior management~~  
20 ~~employees who do not hold State certification if the~~  
21 ~~department has approved the qualifications of the person at a~~  
22 ~~salary established by the department.~~

23 ~~(3) To enter into agreements with persons or education~~  
24 ~~management service providers providing educational or other~~  
25 ~~services to the school. Services provided under this~~  
26 ~~paragraph shall be funded in accordance with the terms of the~~  
27 ~~agreement.~~

28 ~~(4) Notwithstanding any other provision of this article,~~  
29 ~~to close or reconstitute a school, including the~~  
30 ~~reassignment, suspension or dismissal of professional~~

1 ~~employees.~~

2 ~~(5) To appoint managers, administrators or education~~  
3 ~~management service providers to oversee the operations of the~~  
4 ~~school.~~

5 ~~(6) To delegate to a person, including an employee of~~  
6 ~~the school district or an education management service~~  
7 ~~provider, powers it deems necessary to carry out the purposes~~  
8 ~~of this article, subject to the supervision and direction of~~  
9 ~~the department.~~

10 ~~Section 607 C. Transfer to department.~~

11 ~~(a) General rule. The department may transfer an eligible~~  
12 ~~school to its jurisdiction after providing notice to the~~  
13 ~~transferring district or transferring charter school.~~

14 ~~(b) Objection by school district. The school district of~~  
15 ~~the eligible school subject to transfer may object to a transfer~~  
16 ~~based on the criteria set forth in section 603 C(b). An~~  
17 ~~objection and reasons for the objection must be filed with the~~  
18 ~~department within 30 days of the notice in subsection (a).~~

19 ~~(c) Objection by charter school. If the eligible school~~  
20 ~~subject to transfer is a charter school, the charter school may~~  
21 ~~object to the transfer based on the criteria set forth in~~  
22 ~~section 603 C(b). An objection and reasons for the objection~~  
23 ~~must be filed with the department within 30 days of the notice~~  
24 ~~in subsection (a).~~

25 ~~(d) Public hearing. Within 30 days of receipt of an~~  
26 ~~objection by a school district or charter school, the department~~  
27 ~~shall hold a public hearing on the objection and shall receive~~  
28 ~~public testimony during the hearing.~~

29 ~~(e) Decision by department. Within 60 days of the public~~  
30 ~~hearing, the department shall make a final decision in~~

1 ~~accordance with the criteria set forth in section 603 C(b).~~

2 ~~(f) Appeal. Within 60 days of the final decision under~~  
3 ~~subsection (e), an objecting party under this section shall have~~  
4 ~~a right of appeal to Commonwealth Court.~~

5 ~~(g) Decision final. If no objection under this section is~~  
6 ~~filed within the required period, the decision to transfer under~~  
7 ~~this section shall be final.~~

8 ~~Section 608 C. Transfer from department.~~

9 ~~(a) Length of transfer. A persistently low achieving school~~  
10 ~~shall remain under the jurisdiction of the department for a~~  
11 ~~minimum of three years.~~

12 ~~(b) Return to jurisdiction of school district. After the~~  
13 ~~minimum time set forth in subsection (a), the department may~~  
14 ~~transfer a persistently low achieving school to the jurisdiction~~  
15 ~~of its school district of origin if, for two consecutive years,~~  
16 ~~the school does not meet the criteria necessary to be deemed a~~  
17 ~~persistently low achieving school.~~

18 ~~(c) Charter schools. Upon approval of the secretary, a~~  
19 ~~charter school under the jurisdiction of the department may~~  
20 ~~retain the department as its authorizer under Article XVII A.~~  
21 ~~Section 609 C. Evaluation.~~

22 ~~Beginning with school year 2020 2021 and each school year~~  
23 ~~thereafter, an eligible school may not be transferred to the~~  
24 ~~jurisdiction of the department unless the department:~~

25 ~~(1) demonstrates, in a report and based on criteria~~  
26 ~~established by the secretary, that eligible schools within the~~  
27 ~~jurisdiction of the department for at least three years have~~  
28 ~~outperformed eligible schools not transferred to the department~~  
29 ~~in the 2017 2018 school year; and~~

30 ~~(2) submits the report to the chairman and minority chairman~~

1 ~~of the Education Committee of the Senate, the chairman and~~  
2 ~~minority chairman of the Education Committee of the House of~~  
3 ~~Representatives and the Governor.~~

4 ~~Section 610 C. Payments and funding.~~

5 ~~(a) Tuition. Tuition may not be charged for a resident or~~  
6 ~~nonresident student attending a persistently low achieving~~  
7 ~~school.~~

8 ~~(b) Funding. Funding shall be provided as follows:~~

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

23 ~~(2) For special education students, the department shall~~  
24 ~~receive for each student enrolled the same funding as for~~  
25 ~~each nonspecial education student as provided in paragraph~~  
26 ~~(1), plus an additional amount determined by dividing the~~  
27 ~~district of residence's total special education expenditure~~  
28 ~~by the product of multiplying the combined percentage of~~  
29 ~~section 2509.5(k) times the district of residence's total~~  
30 ~~average daily membership for the prior school year. This~~



1 ~~amount shall be paid by the district of residence of each~~  
2 ~~student.~~

3 ~~(3) The department may request the intermediate unit in~~  
4 ~~which the persistently low achieving school is located to~~  
5 ~~provide services to assist the department to address the~~  
6 ~~specific needs of exceptional students. The intermediate unit~~  
7 ~~shall assist the department and bill the department for the~~  
8 ~~services. The intermediate unit may not charge the department~~  
9 ~~more for any service than it charges the constituent~~  
10 ~~districts of the intermediate unit.~~

11 ~~(4) Payments shall be made to the department in 12 equal~~  
12 ~~monthly payments, by the fifth day of each month, within the~~  
13 ~~operating school year. A student enrolled in a persistently~~  
14 ~~low achieving school shall be included in the average daily~~  
15 ~~membership of the student's district of residence for the~~  
16 ~~purpose of providing basic education funding payments and~~  
17 ~~special education funding under Article XXV. If a school~~  
18 ~~district fails to make a payment to the department as~~  
19 ~~prescribed in this paragraph, the secretary shall deduct the~~  
20 ~~estimated amount, as documented by the department, from any~~  
21 ~~and all State payments made to the district after receipt of~~  
22 ~~documentation from the department.~~

23 ~~(5) Within 30 days after the secretary makes the~~  
24 ~~deduction described in paragraph (4), a school district may~~  
25 ~~notify the secretary that the deduction made from State~~  
26 ~~payments to the district under this subsection is inaccurate.~~  
27 ~~The secretary shall provide the school district with an~~  
28 ~~opportunity to be heard concerning:~~

29 ~~(i) whether the department documented that its~~  
30 ~~students were enrolled with the department;~~

1 ~~(ii) the period of time during which each student~~  
2 ~~was enrolled;~~

3 ~~(iii) the school district of residence of each~~  
4 ~~student; and~~

5 ~~(iv) whether the amounts deducted from the school~~  
6 ~~district were accurate.~~

7 ~~(c) Donations. The department may accept donations of~~  
8 ~~money, property or securities from any source for the benefit of~~  
9 ~~the persistently low achieving schools. A donation shall, in~~  
10 ~~good faith, be disbursed in accordance with the conditions of~~  
11 ~~the donation.~~

12 ~~(d) Appropriations. The General Assembly shall appropriate~~  
13 ~~funds as it deems necessary to pay the costs for the~~  
14 ~~implementation and administration of this article.~~

15 ~~Section 611 C. Facilities.~~

16 ~~Subject to a lease or license at no more than fair market~~  
17 ~~rates, the department shall have the right to use any school~~  
18 ~~building and all facilities and property otherwise part of the~~  
19 ~~persistently low achieving school and recognized as part of the~~  
20 ~~facilities or assets of the school prior to its transfer to the~~  
21 ~~department and shall have access to additional facilities as~~  
22 ~~were typically available to the school, its students, faculty~~  
23 ~~and staff prior to its transfer to the department. Extensive~~  
24 ~~repairs to buildings or facilities considered capital expenses~~  
25 ~~shall be the responsibility of the transferring school district~~  
26 ~~and not the department. Any fixtures, improvements or tangible~~  
27 ~~assets added to a school building or facility by the department~~  
28 ~~shall remain at the school building or facility upon the school~~  
29 ~~being returned to the jurisdiction of the transferring school~~  
30 ~~district.~~

1 ~~Section 612-C. Employees.~~

2 ~~(a) Direct operation by department. An employee hired to~~  
3 ~~work in a department school directly operated by the department~~  
4 ~~shall be deemed an employee of the department, and the employees~~  
5 ~~shall be under the exclusive control of the department. The~~  
6 ~~provisions of Article VI of the act of April 9, 1929 (P.L.177,~~  
7 ~~No.175), known as The Administrative Code of 1929, and the~~  
8 ~~classification and compensation plans of the Commonwealth do not~~  
9 ~~apply to department employees under this article. The department~~  
10 ~~shall develop written procedures for employment and management~~  
11 ~~of personnel as well as the development of compensation and~~  
12 ~~benefit plans. Within the limits of the budget, staffing needs~~  
13 ~~of any persistently low achieving school shall be exclusively~~  
14 ~~determined by the department.~~

15 ~~(b) Employee transfers. The department, or an entity under~~  
16 ~~contract to operate a persistently low achieving school, may~~  
17 ~~determine whether an employee who is assigned to a school prior~~  
18 ~~to the school's transfer to the department may opt to continue~~  
19 ~~as an employee of the department or the operating entity. If an~~  
20 ~~employee is not provided the option, the employee shall be~~  
21 ~~retained as an employee of the transferring school district. If~~  
22 ~~an employee accepts the option, the employee may, at the~~  
23 ~~discretion of the transferring school district, return to the~~  
24 ~~employ of the school district, if the department or operating~~  
25 ~~entity later determines not to continue employment.~~

26 ~~(c) Certification. At least 75% of the professional staff~~  
27 ~~members of a persistently low achieving school shall hold~~  
28 ~~appropriate State certification.~~

29 ~~(d) Collective bargaining. Employees of a persistently low~~  
30 ~~achieving school may organize under the act of July 23, 1970~~

1 ~~(P.L.563, No.195), known as the Public Employe Relations Act.~~  
2 ~~The department shall be considered an employer for the purposes~~  
3 ~~of Article XI A. Upon formation of one or more collective~~  
4 ~~bargaining units at the school, the department shall bargain~~  
5 ~~with the employees based on the provisions of this article,~~  
6 ~~Article XI A and the Public Employe Relations Act. Collective~~  
7 ~~bargaining units at a persistently low achieving school shall be~~  
8 ~~separate from any collective bargaining unit of the transferring~~  
9 ~~school district.~~

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

~~1 employees under 24 Pa.C.S. Pt. IV. For purposes of this~~  
~~2 subsection, the department shall be deemed to be a public school~~  
~~3 as defined in 24 Pa.C.S. § 8102 (relating to definitions).~~

~~4 (f) Health care benefits. Every employee of the department~~  
~~5 shall be provided the same or comparable health care benefits as~~  
~~6 the employee would be provided if he were an employee of the~~  
~~7 transferring district.~~

~~8 (g) Sick leave. Any employee of a public school who is~~  
~~9 given and accepts the offer of employment with the department~~  
~~10 shall retain any accumulated sick leave in the position with the~~  
~~11 department.~~

~~12 (h) Leave of absence. A public school employee of a school~~  
~~13 entity may request a leave of absence for up to five years in~~  
~~14 order to work for the department at a persistently low achieving~~  
~~15 school. Approval of a leave of absence shall not be unreasonably~~  
~~16 withheld.~~

~~17 (i) Tenure. A temporary professional employee on leave from~~  
~~18 a school district may accrue tenure in the transferring school~~  
~~19 system at the discretion of the transferring school district in~~  
~~20 the same manner as the employee would under Article XI if the~~  
~~21 employee had continued to be employed by the school district. A~~  
~~22 professional employee on leave from a school district shall~~  
~~23 retain tenure rights, as defined in Article XI, in the school~~  
~~24 entity from which the employee transferred. No temporary~~  
~~25 professional employee or professional employee shall have tenure~~  
~~26 rights as against the department. A temporary professional~~  
~~27 employee and professional employee shall continue to accrue~~  
~~28 seniority in the school district from which the employee~~  
~~29 transferred if the employee returns to the school district upon~~  
~~30 termination of the leave.~~

1 ~~(j) Service requirements for certificates. Professional~~  
2 ~~employees who hold a first level teaching or administrative~~  
3 ~~certificate may, at their option, have the time completed in~~  
4 ~~satisfactory service in the department applied to the length of~~  
5 ~~service requirements for the next level of certification.~~

6 ~~(k) Return to school district. A temporary professional~~  
7 ~~employee or professional employee who leaves the employ of the~~  
8 ~~department shall have the right to return to a comparable~~  
9 ~~position for which the person is properly certified in the~~  
10 ~~school district which granted the leave of absence. In the case~~  
11 ~~where a teacher has been dismissed by the department, the~~  
12 ~~department shall provide to the school district which granted~~  
13 ~~the leave of absence the following information:~~

14 ~~(1) The reason for the dismissal at the time it~~  
15 ~~occurred.~~

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

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

20 ~~(4) A copy of any record developed at any dismissal~~  
21 ~~proceeding conducted by the department. The record of any~~  
22 ~~hearing may be admissible in a hearing before the school~~  
23 ~~district which granted the leave of absence.~~

24 ~~(l) Authority of commission. Nothing in this section shall~~  
25 ~~affect the authority of the commission to initiate proceedings~~  
26 ~~under Article XI if the commission determines that occurrences~~  
27 ~~at the department leading to dismissal of a professional~~  
28 ~~employee constitute adequate and independent grounds for~~  
29 ~~discipline under section 1122.~~

30 ~~(m) Criminal history record and child abuse clearance. No~~

~~1 temporary employee or professional employee who leaves the  
2 employ of the department shall be returned to a position in the  
3 school district which granted a leave of absence until the  
4 school district is in receipt of a current criminal history  
5 record under section 111 and the official statement regarding  
6 child injury or abuse from the Department of Human Services as  
7 required by 23 Pa.C.S. Ch. 63 (relating to child protective  
8 services).~~

~~9 (n) Criminal history record information. Prior to beginning  
10 employment with the department, an individual who has direct  
11 contact with children shall be required to submit a report of  
12 criminal history record information as provided for in section  
13 111. This subsection shall also apply to an individual who  
14 volunteers to work on a full time or part time basis at a  
15 persistently low achieving school.~~

~~16 (o) Child abuse clearance. An applicant for a position as a  
17 school employee with the department shall be required to submit  
18 the official statement regarding child injury or abuse from the  
19 Department of Human Services as provided in 23 Pa.C.S. Ch. 63.  
20 This subsection shall also apply to any individual who  
21 volunteers to work on a full time or part time basis at the  
22 persistently low achieving school.~~

~~23 Section 613 C. Student enrollment.~~

~~24 Any student eligible under this section has the right to  
25 attend the school designated under section 603 C for which the  
26 student is eligible, notwithstanding any other provision of law  
27 to the contrary.~~

~~28 Section 614 C. Oversight.~~

~~29 (a) Report. Annually, the department shall submit a written  
30 report to the Governor and the presiding officers of the Senate~~

1 ~~and the House of Representatives. The report shall include:~~

2 ~~(1) A listing and description of the status, including~~  
3 ~~academic performance, of each school whose jurisdiction has~~  
4 ~~been transferred to the department since the submittal of the~~  
5 ~~preceding report.~~

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

8 ~~(b) Limitation. The department may not expand the total~~  
9 ~~number of schools permitted under its jurisdiction in section~~  
10 ~~605 C(b) without legislative authorization.~~

11 ~~Section 615 C. Prohibition.~~

12 ~~The secretary may not designate any more schools under~~  
13 ~~section 603 C after making designations in the 2018-2019 school~~  
14 ~~year.~~

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

16 ~~Section 731.2. Posting of Information by Department. No~~  
17 ~~later than February 1, 2016, and every ninety (90) days~~  
18 ~~thereafter, the Department of Education shall post and update on~~  
19 ~~its publicly accessible Internet website in a searchable and~~  
20 ~~sortable format the following information related to public~~  
21 ~~school construction and reconstruction projects, building~~  
22 ~~purchases and lease reimbursements submitted for the approval~~  
23 ~~of, or approved by, the department:~~

24 ~~(1) The type of project, elementary school, middle school,~~  
25 ~~intermediate school, high school, charter school or vocational~~  
26 ~~technical school by school entity.~~

27 ~~(2) The scope of project, new construction, renovation,~~  
28 ~~addition, purchase or lease.~~

29 ~~(3) The date of receipt of each application.~~

30 ~~(4) The date of department approval of each application.~~



- 1 ~~(5) The date of approval or denial of any waiver or~~  
2 ~~exception granted by the department.~~
- 3 ~~(6) The reason for approval or denial of any waiver or~~  
4 ~~exception granted by the department.~~
- 5 ~~(7) The date of submission of the application for each step~~  
6 ~~of the reimbursement process.~~
- 7 ~~(8) The date of approval of the application for each step of~~  
8 ~~the reimbursement process.~~
- 9 ~~(9) The anticipated total project cost.~~
- 10 ~~(10) Whether the project reached the maximum reimbursable~~  
11 ~~project amount.~~
- 12 ~~(11) The anticipated term of State reimbursement.~~
- 13 ~~(12) The anticipated total reimbursement amount.~~
- 14 ~~(13) The temporary reimbursable percentage.~~
- 15 ~~(14) The permanent reimbursable percentage.~~
- 16 ~~(15) The dates of expected State payments.~~
- 17 ~~(16) The dates of expected school district payments.~~
- 18 ~~(17) Whether the project was financed by cash.~~
- 19 ~~(18) The date a project was voided, if applicable.~~
- 20 ~~(19) A summary of the terms of the project's debt service or~~  
21 ~~lease.~~
- 22 ~~(20) An analysis of the callability of the project's debt~~  
23 ~~service.~~

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

26 Section 732.1. Limitation on New Applications for Department  
27 of Education Approval of Public School Building Projects. \* \* \*

28 ~~(c) For the 2015-2016 and 2016-2017 school years, the~~  
29 ~~Department of Education shall not accept or approve new building~~  
30 ~~construction or reconstruction project applications. Completed~~

1 ~~school building construction or reconstruction project~~  
2 ~~applications received by the Department of Education by January~~  
3 ~~15, 2016, are not subject to this subsection.~~

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

5 ~~Section 732.3. Public School Building Construction and~~  
6 ~~Reconstruction Advisory Committee. (a) There is hereby~~  
7 ~~established an advisory committee.~~

8 ~~(b) The committee shall review and make findings and~~  
9 ~~recommendations related to the program for State reimbursement~~  
10 ~~for construction and reconstruction and lease of public school~~  
11 ~~buildings.~~

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

13 ~~(1) The Secretary of Education or a designee.~~

14 ~~(2) A member chosen jointly by the President pro tempore of~~  
15 ~~the Senate and the Speaker of the House of Representatives.~~

16 ~~(3) A representative from the following:~~

17 ~~(i) The Pennsylvania Association of School Business~~  
18 ~~Officials.~~

19 ~~(ii) The Pennsylvania School Boards Association.~~

20 ~~(4) The chairman and minority chairman of the Appropriations~~  
21 ~~Committee and Education Committee of the Senate and the chairman~~  
22 ~~and minority chairman of the Appropriations Committee and~~  
23 ~~Education Committee of the House of Representatives.~~

24 ~~(5) One member appointed by the President pro tempore of the~~  
25 ~~Senate.~~

26 ~~(6) One member appointed by the Minority Leader of the~~  
27 ~~Senate.~~

28 ~~(7) One member appointed by the Speaker of the House of~~  
29 ~~Representatives.~~

30 ~~(8) One member appointed by the Minority Leader of the House~~

1 ~~of Representatives.~~

2 ~~(d) The committee shall hold its first meeting within thirty~~  
3 ~~(30) days of the effective date of this section regardless of~~  
4 ~~whether all of the committee members have been appointed to the~~  
5 ~~committee. At the first meeting, the Department of Education~~  
6 ~~shall present its report relating to the Statewide analysis of~~  
7 ~~school facilities and capital needs as required under section~~  
8 ~~732.1.~~

9 ~~(e) The committee shall appoint a member to serve as~~  
10 ~~chairman of the committee.~~

11 ~~(f) The committee shall hold meetings at the call of the~~  
12 ~~chairman.~~

13 ~~(g) The members may not receive compensation for their~~  
14 ~~services, but shall be reimbursed for all necessary travel and~~  
15 ~~other reasonable expenses incurred in connection with the~~  
16 ~~performance of their duties as members of the committee.~~

17 ~~(h) The General Assembly shall provide administrative~~  
18 ~~support, meeting space and any other assistance required by the~~  
19 ~~committee to carry out its duties under this section in~~  
20 ~~cooperation with the department. The department shall provide~~  
21 ~~the committee with data, research and other information upon~~  
22 ~~request.~~

23 ~~(i) The committee shall issue a report not later than~~  
24 ~~November 1, 2016, of the committee's findings to the Governor,~~  
25 ~~the President pro tempore of the Senate, the Majority Leader and~~  
26 ~~Minority Leader of the Senate, the Appropriations Committee and~~  
27 ~~Education Committee of the Senate, the Speaker of the House of~~  
28 ~~Representatives, the Majority Leader and Minority Leader of the~~  
29 ~~House of Representatives, the Appropriations Committee and~~  
30 ~~Education Committee of the House of Representatives and the~~

1 Secretary of Education.

2 SECTION 1. SECTION 121 OF THE ACT OF MARCH 10, 1949 (P.L.30, <--  
3 NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949, IS AMENDED BY  
4 ADDING A SUBSECTION TO READ:

5 SECTION 121. KEYSTONE EXAMS.--\* \* \*

6 (A.1) IN ADDITION TO ANY REQUIREMENTS IMPOSED ON THE STATE  
7 BOARD OF EDUCATION UNDER THE "REGULATORY REVIEW ACT", ON THE  
8 SAME DATE THAT PURSUANT TO THE "REGULATORY REVIEW ACT" THE STATE  
9 BOARD OF EDUCATION SUBMITS A PROPOSED REGULATION FOR OR RELATED  
10 TO THE IMPLEMENTATION OF KEYSTONE EXAMS UNDER THIS SECTION TO  
11 THE LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION OF NOTICE OF  
12 PROPOSED RULEMAKING IN THE PENNSYLVANIA BULLETIN AS REQUIRED BY  
13 THE ACT OF JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE  
14 COMMONWEALTH DOCUMENTS LAW, AND THEREAFTER ON THE SAME DATE IT  
15 SUBMITS THE TEXT OF THE FINAL-FORM REGULATION TO THE INDEPENDENT  
16 REGULATORY REVIEW COMMISSION, IT SHALL SUBMIT TO THE CHAIRPERSON  
17 AND MINORITY CHAIRPERSON OF THE EDUCATION COMMITTEE OF THE  
18 SENATE AND THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE  
19 EDUCATION COMMITTEE OF THE HOUSE OF REPRESENTATIVES A DETAILED  
20 FISCAL IMPACT STATEMENT THAT THE PROPOSED OR FINAL-FORM  
21 REGULATION WILL HAVE ON THE COMMONWEALTH, THE COMMUNITIES, THE  
22 SCHOOL DISTRICTS AND, IF APPLICABLE, PRIVATE AND PRIVATE  
23 RELIGIOUS SCHOOLS. THE DETAILED FISCAL IMPACT STATEMENT SHALL  
24 INCLUDE A COMPREHENSIVE FISCAL NOTE OF ALL DIRECT AND INDIRECT  
25 COSTS WHETHER INCURRED IN PREPARATION OF THE PROPOSED OR FINAL-  
26 FORM REGULATION OR WHICH WILL BE REQUIRED AS A RESULT OF THE  
27 PROMULGATION OF THE REGULATION TO ITS BEST DOLLAR ESTIMATE. THE  
28 STATE BOARD OF EDUCATION MAY INCLUDE NARRATIVE STATEMENTS TO  
29 ACCOMPANY ITS BEST DOLLAR ESTIMATE BUT MAY NOT DO SO IN LIEU OF  
30 DETAILED BEST ESTIMATED DOLLAR AMOUNTS.

1 \* \* \*

2 Section ~~7~~ 2. Section 1154(c) of the act, amended December <--  
3 22, 1965 (P.L.1180, No.467), is amended to read:

4 Section 1154. Payment of Salaries in Cases of Sickness,  
5 Injury or Death.--\* \* \*

6 (c) Whenever a professional or temporary professional  
7 employe is absent because of the death of a near relative, there  
8 shall be no deduction in the salary of said employe for absence  
9 on the day of the funeral. The board of school directors may  
10 extend the period of absence with pay in its discretion as the  
11 exigencies of the case may warrant. A near relative shall be  
12 defined as a first cousin, grandfather, grandmother, grandchild,  
13 aunt, uncle, niece, nephew, son-in-law, daughter-in-law,  
14 brother-in-law or sister-in-law.

15 \* \* \*

16 Section ~~7.1~~ 3. Section 1204 of the act, amended October 21, <--  
17 1965 (P.L.601, No.312), is amended to read:

18 Section 1204. Granting Provisional College Certificates.--  
19 The [Superintendent of Public Instruction] Secretary of  
20 Education may grant a provisional college certificate to every  
21 person who presents to [him] the Department of Education  
22 satisfactory evidence of good moral character, and of being a  
23 graduate of an approved college or university, who has completed  
24 such work in education as may be required by the standards of  
25 the State Board of Education, and to every person who presents  
26 to [him] the Department of Education satisfactory evidence of  
27 good moral character, and of being a graduate of music, with the  
28 degree of bachelor of music of an approved college or  
29 university, who has during such musical course completed the  
30 prescribed number of hours of professional studies, which

1 certificate shall entitle [him] the individual to teach for  
2 three annual school terms, and may be renewed for one additional  
3 three-year period in accordance with standards to be established  
4 by the State Board of Education.

5 Section ~~7.2~~ 4. The act is amended by adding a section to <--  
6 read:

7 Section 1204.2. Provisional Vocational Education  
8 Certificate.--The Secretary of Education may grant a provisional  
9 vocational education certificate to every person who presents to  
10 the Department of Education satisfactory evidence of good moral  
11 character, and who has completed such work in vocational  
12 education as may be required by the standards of the State Board  
13 of Education, which certificate shall entitle the individual to  
14 teach for eight annual school terms.

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

17 ~~Section 1372. Exceptional Children; Education and~~  
18 ~~Training. \* \* \*~~

19 ~~(8) Reporting of Expenditures Relating to Exceptional~~  
20 ~~Students.~~

21 ~~(i) By December 31, 2000, and each year thereafter, each~~  
22 ~~school district shall compile information listing the number of~~  
23 ~~students with disabilities for which expenditures are between~~  
24 ~~twenty five thousand dollars (\$25,000) and fifty thousand~~  
25 ~~dollars (\$50,000), which shall be known as Category 2; between~~  
26 ~~fifty thousand dollars (\$50,000) and seventy five thousand~~  
27 ~~dollars (\$75,000), which shall be known as Category 3A; and over~~  
28 ~~seventy five thousand dollars (\$75,000), which shall be known as~~  
29 ~~Category 3B, for the prior school year. The information shall be~~  
30 ~~submitted to the department in a form prescribed by the~~

1 department. By February 1, 2001, and each year thereafter, the  
2 department shall submit to the chairman and minority chairman of  
3 the Education and Appropriations Committees of the Senate and  
4 the chairman and minority chairman of the Education and  
5 Appropriations Committees of the House of Representatives a  
6 report listing this information by school district.

7 ~~(ii) By December 31, 2015, and each year thereafter, each~~  
8 ~~school district shall compile information listing the number of~~  
9 ~~students with disabilities for which expenditures are under~~  
10 ~~twenty five thousand dollars (\$25,000), which shall be known as~~  
11 ~~Category 1. The information shall be submitted to the department~~  
12 ~~in a form prescribed by the department.~~

13 ~~(iii) Beginning with the 2015-2016 school year, the~~  
14 ~~department shall annually adjust the dollar ranges for which the~~  
15 ~~information is collected under this section by the percent~~  
16 ~~change in the Consumer Price Index for All Urban Consumers for~~  
17 ~~the Pennsylvania, New Jersey, Delaware and Maryland area~~  
18 ~~reported by the Bureau of Labor Statistics for the twelve (12)~~  
19 ~~month period ending in December of the school year for which the~~  
20 ~~data is being collected.~~

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

23 Section 1376. Cost of Tuition and Maintenance of Certain  
24 Exceptional Children in Approved Institutions. \* \* \*

25 ~~(c.9) For the 2015-2016 school year, the amount available in~~  
26 ~~the appropriation after subtracting the amount determined to be~~  
27 ~~the Commonwealth's share under subsection (a) and any amounts~~  
28 ~~provided to a new approved private school shall be distributed~~  
29 ~~on a pro rata basis based on the allocation determined in~~  
30 ~~subsection (a.2) and shall be considered part of the base~~

1 ~~allocation in subsection (a.2).~~

2 \* \* \*

3 Section 10. ~~Section 1401 of the act is amended by adding~~  
4 ~~clauses to read:~~

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

6 \* \* \*

7 ~~(13) "Diabetes medical management plan" means a document~~  
8 ~~describing the medical orders or diabetes regimen developed and~~  
9 ~~signed by the student's health care practitioner and parent or~~  
10 ~~guardian.~~

11 ~~(14) "Service agreement" means a student's section 504~~  
12 ~~service agreement pursuant to section 504 of the Rehabilitation~~  
13 ~~Act of 1973 (Public Law 93-112, 29 U.S.C. § 794) and 22 Pa. Code~~  
14 ~~Ch. 15 (relating to protected handicapped students).~~

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

18 ~~(16) "IEP" means a written statement for each child with a~~  
19 ~~disability that is developed, reviewed or revised in a meeting~~  
20 ~~in accordance with the Individuals with Disabilities Education~~  
21 ~~Act (Public Law 91-230, 20 U.S.C. § 1400 et seq.) and 22 Pa.~~  
22 ~~Code Ch. 14 (relating to special education services and~~  
23 ~~programs).~~

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

25 ~~Section 1414.3. Education of School Employes in Diabetes~~  
26 ~~Care and Management. (a) Within one hundred twenty (120) days~~  
27 ~~of the effective date of this section, the Department of Health,~~  
28 ~~in coordination with the Department of Education, shall~~  
29 ~~establish educational modules and guidelines for the instruction~~  
30 ~~of school employes in diabetes care and treatment and make the~~



~~1 modules and guidelines available on its publicly accessible~~  
~~2 Internet website. The educational modules shall include~~  
~~3 instruction in a school entity's obligations under 22 Pa. Code §~~  
~~4 12.41 (relating to student services) and its responsibilities to~~  
~~5 comply with section 504 of the Rehabilitation Act of 1973~~  
~~6 (Public Law 93 112, 29 U.S.C. § 794), 22 Pa. Code Chs. 14~~  
~~7 (relating to special education services and programs) and 15~~  
~~8 (relating to protected handicapped students) and the Individuals~~  
~~9 with Disabilities Education Act (Public Law 91 230, 20 U.S.C. §~~  
~~10 1400 et seq.). At a minimum, the educational modules shall~~  
~~11 include review of the responsibilities and instruction in:~~

- ~~12 (1) An overview of all types of diabetes.~~
- ~~13 (2) Means of monitoring blood glucose.~~
- ~~14 (3) The symptoms and treatment for blood glucose levels~~  
~~15 outside of target ranges as well as symptoms and treatment for~~  
~~16 hypoglycemia, hyperglycemia and other potential emergencies.~~
- ~~17 (4) Techniques on administering glucagon and insulin.~~

~~18 (b) The school nurse, in consultation with the chief school~~  
~~19 administrator or a designee, may identify at least one school~~  
~~20 employe who is not the school nurse and who does not need to be~~  
~~21 a licensed health care practitioner in each school building~~  
~~22 attended by a student with diabetes. If the school building~~  
~~23 attended by a student with diabetes does not have a full time~~  
~~24 school nurse, the chief school administrator may, but is not~~  
~~25 required to, consult with the school nurse assigned to that~~  
~~26 school building to identify at least one school employe in the~~  
~~27 school building. An identified employe shall complete the annual~~  
~~28 educational modules outlined in subsection (a) or annual~~  
~~29 education offered by a licensed health care practitioner with~~  
~~30 expertise in the care and treatment of diabetes that includes~~

1 ~~substantially the same information as outlined in subsection~~  
2 ~~(a). An employe responsible for a child with diabetes in the~~  
3 ~~absence of the school nurse shall have the right to decline the~~  
4 ~~responsibility and related directives.~~

5 ~~(c) A school employe who is not a licensed health care~~  
6 ~~practitioner and who has successfully completed the education~~  
7 ~~modules under subsection (a) or annual education offered by a~~  
8 ~~licensed health care practitioner with expertise in the care and~~  
9 ~~treatment of diabetes that includes substantially the same~~  
10 ~~information as outlined in subsection (a) may be designated in a~~  
11 ~~student's service agreement or IEP to administer diabetes~~  
12 ~~medications, use monitoring equipment and provide other diabetes~~  
13 ~~care. A school entity may require the designated employe who has~~  
14 ~~not declined the assignment, to complete the annual educational~~  
15 ~~modules or annual education from a licensed health care~~  
16 ~~practitioner, or both, in the administration of diabetes~~  
17 ~~medications, use of monitoring equipment and provision of other~~  
18 ~~diabetes care. Education provided to school employes shall be~~  
19 ~~coordinated by the chief school administrator or a designee.~~  
20 ~~School entities may include the education in the professional~~  
21 ~~education plan submitted by the school entity to the Department~~  
22 ~~of Education under section 1205.1.~~

23 ~~(d) Notwithstanding any other statute or regulation~~  
24 ~~restricting the functions that may be performed by persons other~~  
25 ~~than licensed health care practitioners, school employes who~~  
26 ~~have completed the education requirements under this section may~~  
27 ~~perform diabetes care and treatment for students. School~~  
28 ~~employes who are not licensed health care practitioners shall~~  
29 ~~only be authorized to administer diabetes medications via~~  
30 ~~injection or infusion following annual education by a licensed~~

~~1 health care practitioner with expertise in the care and  
2 treatment of diabetes, and following the school entity's receipt  
3 of written authorization from both the student's health care  
4 practitioner and parent or guardian that an educated school  
5 employe, who is not a licensed health care practitioner, may  
6 administer specified medications.~~

~~7 (c) For purposes of this section, "school entity" means a  
8 school district, intermediate unit, area vocational technical  
9 school, charter school or cyber charter school.~~

~~10 Section 1414.4. Diabetes Care in Schools. (a) A parent or  
11 guardian of a student with diabetes who desires that the student  
12 receive diabetes related care and treatment in a school setting  
13 shall provide the school entity with written authorization for  
14 the care and instructions from the student's health care  
15 practitioner, consistent with the school entity's policies  
16 regarding the provision of school health services. The required  
17 authorizations may be submitted as part of a diabetes medical  
18 management plan.~~

~~19 (b) All diabetes related care provided to students shall be  
20 consistent with the school health program established by the  
21 governing body of the school entity and any accommodations  
22 outlined in a student's service agreement.~~

~~23 (c) A student's service agreement may require a school  
24 entity to provide the driver of a school bus or school vehicle,  
25 who provides transportation to a student with diabetes, with an  
26 information sheet that:~~

~~27 (1) Identifies the student with diabetes.~~

~~28 (2) Identifies potential emergencies that may occur as a  
29 result of the student's diabetes and the appropriate responses  
30 to such emergencies.~~

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

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

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

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

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

~~Section 1414.5. Possession and Use of Diabetes Medication~~

~~and Monitoring Equipment. (a) A school entity shall require~~

~~the parent or guardian of a student with diabetes who requests~~

~~that the student possess and self administer diabetes medication~~

~~and operate monitoring equipment in a school setting to provide~~

~~the following:~~

~~(1) A written statement from the student's health care~~

~~practitioner that provides the name of the drug, the dose, the~~

~~times when the medication is to be taken or the monitoring~~

~~equipment to be used, the specified time period for which the~~

~~medication or monitoring equipment is authorized to be used and~~

~~the diagnosis or reason the medicine or monitoring equipment is~~

~~needed. The student's health care practitioner shall indicate~~

~~the potential of any serious reaction to the medication that may~~

~~occur, as well as any necessary emergency response. The~~

~~student's health care practitioner shall state whether the~~

~~student is competent to self administer the medication or~~

~~monitoring equipment and whether the student is able to practice~~

~~proper safety precautions for the handling and disposal of the~~

~~medication and monitoring equipment.~~

1 ~~(2) A written request from the parent or guardian that the~~  
2 ~~school entity comply with the instructions of the student's~~  
3 ~~health care practitioner. The parent's request shall include a~~  
4 ~~statement relieving the school entity or any school employe of~~  
5 ~~any responsibility for the prescribed medication or monitoring~~  
6 ~~equipment and acknowledging that the school entity bears no~~  
7 ~~responsibility for ensuring that the medication is taken by the~~  
8 ~~student and the monitoring equipment is used.~~

9 ~~(3) A written acknowledgment by the school nurse that the~~  
10 ~~student has demonstrated that the student is capable of self-~~  
11 ~~administration of the medication and use of the monitoring~~  
12 ~~equipment.~~

13 ~~(4) A written acknowledgment by the student that the student~~  
14 ~~has received instruction from the student's health care~~  
15 ~~practitioner on proper safety precautions for the handling and~~  
16 ~~disposal of the medications and monitoring equipment. The~~  
17 ~~written acknowledgment shall also contain a provision stating~~  
18 ~~that the student will not allow other students to have access to~~  
19 ~~the medication and monitoring equipment and that the student~~  
20 ~~understands appropriate safeguards.~~

21 ~~(b) A school entity may revoke or restrict a student's~~  
22 ~~privileges to possess and self administer diabetes medication~~  
23 ~~and operate monitoring equipment due to noncompliance with~~  
24 ~~school rules and provisions of a student's service agreement,~~  
25 ~~IEP or due to demonstrated unwillingness or inability of the~~  
26 ~~student to safeguard the medication and monitoring equipment~~  
27 ~~from access by other students.~~

28 ~~(c) A school entity that prohibits a student from possessing~~  
29 ~~and self administering diabetes medication and operating~~  
30 ~~monitoring equipment under subsection (b) shall ensure that the~~

~~1 diabetes medication or monitoring equipment is appropriately  
2 stored in a readily accessible place in the school building  
3 attended by the student. The school entity shall notify the  
4 school nurse and other identified school employes regarding the  
5 location of the diabetes medication and monitoring equipment and  
6 means to access them.~~

~~7 (d) For purposes of this section, the following terms shall  
8 have the following meanings:~~

~~9 "School entity" means a school district, intermediate unit,  
10 area vocational technical school, charter school or cyber  
11 charter school.~~

~~12 "Diabetes medication" means glucagon and insulin.~~

~~13 Section 1414.6. Liability. Nothing in sections 1414.3,  
14 1414.4 or 1414.5 shall be construed to create, establish or  
15 expand any civil liability on the part of any school entity or  
16 school employe.~~

~~17 Section 1414.7. Coordinating, Supervising or Educating Not  
18 Considered Delegation. (a) Notwithstanding any other law to  
19 the contrary, coordinating or supervising the provision of  
20 diabetes care by school employes authorized in sections 1414.3  
21 and 1414.4 and providing education in accordance with section  
22 1414.3 shall not be construed as a delegation by a licensed  
23 health care practitioner.~~

~~24 (b) A licensed health care practitioner who, acting in  
25 compliance with sections 1414.3 and 1414.4, coordinates or  
26 supervises care for a student or provides education to a school  
27 employe shall not be subject to any criminal or civil liability  
28 or any professional disciplinary action for the same.~~

~~29 (c) Notwithstanding any other provision of law, a school  
30 employe who is designated to provide diabetes medications to a~~

1 ~~student shall not be considered to be engaging in health related~~  
2 ~~activities which are reserved exclusively for licensed~~  
3 ~~professionals.~~

4 ~~Section 1414.8. Diabetes Care in Nonpublic Schools. (a) A~~  
5 ~~nonpublic school may comply with the education of school~~  
6 ~~employees and provision of diabetes related care to a student~~  
7 ~~with diabetes required under sections 1414.3, 1414.4 and 1414.5.~~  
8 ~~A written education plan that outlines the aids and related~~  
9 ~~services required to meet the academic needs of the student with~~  
10 ~~diabetes may take the place of a service agreement for a student~~  
11 ~~with diabetes attending a nonpublic school unless a service~~  
12 ~~agreement is otherwise required under law or regulation.~~

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

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

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

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

24 ~~Section 11.1~~ 5. Section 1525 of the act, added July 4, 2004 <--  
25 (P.L.536, No.70), is amended to read:

26 Section 1525. Agreements with Institutions of Higher  
27 Education.--Notwithstanding any other provision of law to the  
28 contrary, a school district, charter school, regional charter  
29 school, cyber charter school or area vocational-technical school  
30 may enter into an agreement with one or more institutions of

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

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

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

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

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

29 ~~(d) Funding contingency. The powers and duties established~~  
30 ~~in this section shall be contingent on appropriations made by~~



1 ~~the General Assembly.~~

2 ~~(c) Definition. For the purpose of this section, the term~~  
3 ~~"school entity" shall include a school district, charter school,~~  
4 ~~regional charter school or cyber charter school.~~

5 Section ~~12.1~~ 6. The definitions of "concurrent student" and <--  
6 "school entity" in section 1602-B of the act, added July 13,  
7 2005 (P.L.226, No.46), are amended to read:

8 Section 1602-B. Definitions.

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

12 \* \* \*

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

19 \* \* \*

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

23 \* \* \*

24 Section ~~12.2~~ 7. Sections 1611-B and 1613-B of the act are <--  
25 amended by adding subsections to read:

26 Section 1611-B. Responsibilities of school entities.

27 \* \* \*

28 (g) Revenue received by school district.--Notwithstanding  
29 any provision of law to the contrary, the revenues received by a  
30 school district under section 1603-B shall not be included in

1 the school district's budgeted total expenditure per average  
2 daily membership used to calculate the amount to be paid to a  
3 charter school entity under section 1725-A(a) (2) and (3).

4 Section 1613-B. Concurrent enrollment agreements.

5 \* \* \*

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

12 Section ~~13~~ 8. Section 1703-A of the act, AMENDED JUNE 29, <--  
13 2002 (P.L.524, NO.88), is amended to read:

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

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

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

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

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

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

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

7 "Assessment" shall mean the Pennsylvania System of School  
8 Assessment test, the Keystone Exam or another test established  
9 OR APPROVED by the State board OR THE GENERAL ASSEMBLY to meet <--  
10 the requirements of section 2603-B(d)(10)(i) and OR required <--  
11 under the No Child Left Behind Act of 2001 (Public Law 107-110, <--  
12 115 Stat. 1425) EVERY STUDENT SUCCEEDS ACT (PUBLIC LAW 114-95, <--  
13 129 STAT. 1802) or its successor 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~~ 9. 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 CHAIRMEN. The commission may hold no more than six  
 3 public hearings on the matters to be considered by the  
 4 commission. All meetings and public hearings of the commission  
 5 shall be deemed public meetings for the purpose of 65 Pa.C.S.  
 6 Ch. 7 (relating to open meetings). Eight (8) members of the  
 7 commission shall constitute a quorum at any meeting. Each member  
 8 of the commission may designate another person to represent that  
 9 member 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 continuing the school  
2 district deductions for school library services, nonpublic  
3 support services, tax assessment and collection services,  
4 nonpublic health services, operation and maintenance of plant  
5 services and community services.

6 (C) Appropriate funding for charter school entity  
7 facilities.

8 (D) A process by which the performance matrix established  
9 under section 1731.2-A shall compare the academic performance of  
10 each charter school entity with the academic performance of the  
11 school district of residence of each student enrolled in the  
12 charter school entity.

13 (E) Special education transportation.

14 (F) Other funding issues raised in the course of public  
15 hearings.

16 (G) Consideration of a school district deduction for  
17 programs and services to the extent they are funded from the  
18 proceeds of competitive grants from private or public resources  
19 or from contributions or donations from private sources.

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

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

24 (J) Consideration of a method by which a local board of  
25 school directors, when considering a charter application, may  
26 review whether charter school entities are sufficiently  
27 distributed throughout a school district while also ensuring  
28 that a charter application is not denied on the basis of  
29 geographic location.

30 (k) Consideration of the appropriate manner of implementing

1 the recommendations of the Special Education Funding Commission  
2 with respect to charter school entities, based on the manner in  
3 which the commission's recommendations have been implemented for  
4 school districts.

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

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

22 Section ~~13.2~~ 10. Section 1715-A of the act, amended or added <--  
23 June 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846,  
24 No.61), is amended to read:

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

28 (1) Except as otherwise provided in this article, a charter  
29 school entity is exempt from statutory requirements established  
30 in this act, from regulations of the State board and the

1 standards of the secretary not specifically applicable to  
2 charter [schools] school entities. Charter [schools] school  
3 entities are not exempt from statutes applicable to public  
4 schools other than this act.

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

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

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

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

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

20 (A) if the charter school entity provides for discrete and  
21 separate entrances to buildings utilized for school purposes  
22 only;

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

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

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

30 (7) A charter school or regional charter school shall only

1 be subject to the laws and regulations as provided for in  
2 section 1732-A, or as otherwise provided for in this [article]  
3 act.

4 (7.1) A cyber charter school shall only be subject to the  
5 laws and regulations as provided for in section 1749-A, or as  
6 otherwise provided for in this act.

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

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

20 (9.1) A cyber charter school may use in-person interaction,  
21 testing or instruction for students protected by the Individuals  
22 with Disabilities Education Act (Public Law 91-230, 20 U.S.C. §  
23 1400 et seq.) or section 504 of the Rehabilitation Act of 1973  
24 (Public Law 93-112, 29 U.S.C. § 794), ~~and~~ for the amount of time <--  
25 that such services are required by the student's individualized  
26 education program or by the plan describing services provided to  
27 the student pursuant to section 504 of the Rehabilitation Act of  
28 1973.

29 (10) Boards of trustees and contractors of charter [schools]  
30 school entities shall be subject to the following statutory

1 requirements governing construction projects and construction-  
2 related work:

3 (i) The following provisions of this act:

4 (A) Sections 751 and 751.1.

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

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

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

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

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

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

28 [(12) A person who serves as an administrator for a charter  
29 school shall not receive compensation from another charter  
30 school or from a company that provides management or other

1 services to another charter school. The term "administrator"  
2 shall include the chief executive officer of a charter school  
3 and all other employes of a charter school who by virtue of  
4 their positions exercise management or operational oversight  
5 responsibilities. A person who serves as an administrator for a  
6 charter school shall be a public official under 65 Pa.C.S. Ch.  
7 11 (relating to ethics standards and financial disclosure). A  
8 violation of this clause shall constitute a violation of 65  
9 Pa.C.S. § 1103(a) (relating to restricted activities), and the  
10 violator shall be subject to the penalties imposed under the  
11 jurisdiction of the State Ethics Commission.]

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

19 (c) (1) No individual who serves as an administrator for a  
20 charter school entity may receive compensation from another  
21 charter school entity or from an educational management service  
22 provider, unless:

23 (i) The administrator has submitted a sworn statement to the  
24 board of trustees of the charter school entity and the sworn  
25 statement details the work for the other entity and includes the  
26 projected number of hours, rate of compensation and projected  
27 duration.

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

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

7 (3) No administrator of a charter school entity or immediate  
8 family member of the administrator may serve as a voting member  
9 of the board of trustees of the charter school entity that  
10 employs the administrator.

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

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

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

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

25 Section ~~13.3~~ 11. Section 1716-A(c) of the act, added June <--  
26 19, 1997 (P.L.225, No.22), is amended and the section is amended  
27 by adding subsections to read:

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

29 (b.1) (1) For a charter school or regional charter school  
30 chartered after the effective date of this subsection, an

1 individual shall be prohibited from serving as a voting member  
2 of the board of trustees of the charter school or regional  
3 charter school if the individual or an immediate family member  
4 receives compensation from or is employed by or is a member of  
5 the local board of school directors who participated in the  
6 initial review, approval, oversight, evaluation or renewal  
7 process of the charter school or regional charter school  
8 chartered by that board.

9 (2) An employe of the school district that chartered a  
10 charter school or regional charter school may serve as a member  
11 of the board of trustees of the charter school or regional  
12 charter school without voting privileges.

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

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

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

29 (4) A contract made in violation of this subsection shall be  
30 voidable by a court of competent jurisdiction, if the suit is



1 commenced within ninety (90) days of the making of the contract.

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

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

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

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

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

23 (2) Within one (1) year of the effective date of this  
24 subsection, at least one member of the board of trustees of a  
25 charter school entity shall be a parent of a child currently  
26 attending the charter school entity. The board of trustees  
27 member provided for under this paragraph shall be eligible to  
28 serve only so long as the child attends the charter school  
29 entity. This paragraph shall not apply to a charter school that  
30 primarily serves adjudicated youth.

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

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

9 Section ~~13.4~~ 12. The act is amended by adding a section to <--  
10 read:

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

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

27 (i) any indebtedness at date of maturity or date of  
28 mandatory redemption or on any sinking fund deposit date; or

29 (ii) any interest due on such indebtedness on any interest  
30 payment date or on any sinking fund deposit date in accordance

1 with the schedule under which the bonds were issued,  
2 the bank or trustee for the bonds shall notify the board of  
3 trustees of its obligation and shall immediately notify the  
4 secretary and, in the case of a charter school or regional  
5 charter school, the local board of school directors.

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

15 Section ~~13.5~~ 13. Sections 1717-A(c), (d), (e) and (f) and <--  
16 1719-A of the act, added June 19, 1997 (P.L.225, No.22), are  
17 amended to read:

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

19 (c) An application to establish a charter school shall be  
20 submitted to the local board of school directors of the district  
21 where the charter school will be located by [November 15]  
22 October 1 of the school year preceding the school year in which  
23 the charter school will be established except that for a charter  
24 school beginning in the 1997-1998 school year, an application  
25 must be received by July 15, 1997. In the 1997-1998 school year  
26 only, applications shall be limited to recipients of fiscal year  
27 1996-1997 Department of Education charter school planning  
28 grants.

29 (d) Within forty-five (45) days of receipt of an  
30 application, the local board of school directors in which the

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

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

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

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

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

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

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

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

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

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

20 (f) At the option of the charter school applicant, a denied  
21 application may be revised and resubmitted to the local board of  
22 school directors. Following the appointment and confirmation of  
23 the Charter School Appeal Board under section 1721-A, the  
24 decision of the local board of school directors may be appealed  
25 to the appeal board. When an application is revised and  
26 resubmitted to the local board of school directors, the board  
27 may schedule additional public hearings on the revised  
28 application. The board shall consider the revised and  
29 resubmitted application at the first board meeting occurring at  
30 least forty-five (45) days after receipt of the revised

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

8 \* \* \*

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

- 17 (1) The identification of the charter school applicant.
- 18 (2) The name of the proposed charter school entity.
- 19 (3) The grade or age levels served by the school.
- 20 (4) [The proposed governance structure of the charter  
21 school, including a description and method for the appointment  
22 or election of members of the board of trustees.] An  
23 organization chart clearly presenting the proposed governance  
24 structure of the school, including lines of authority and  
25 reporting between the board of trustees, administrators, staff  
26 and any educational management service provider that will  
27 provide management services to the charter school entity.

28 (4.1) A clear description of the roles and responsibilities  
29 of the board of trustees, administrators and any other entities,  
30 including a charter school foundation, shown in the organization

1 chart.

2 (4.2) A clear description of the method for the appointment  
3 or election of members of the board of trustees.

4 (4.3) Standards for board of trustees performance, including  
5 compliance with all applicable laws, regulations and terms of  
6 the charter.

7 (4.4) If the charter school entity intends to contract with  
8 an educational management service provider for services, all of  
9 the following:

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

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

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

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

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

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

23 (E) Performance evaluation measures and timelines.

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

27 (G) Methods of contract oversight and enforcement.

28 (H) Investment disclosure or the advance of moneys by the  
29 educational management service provider on behalf of the charter  
30 school entity.

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

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

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

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

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

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

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

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

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

30 (12) Information on the proposed school calendar for the



1 charter school entity, including the length of the school day  
2 and school year consistent with the provisions of section 1502.

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

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

17 (15) [A report] REPORTS of criminal history [record] RECORDS <--  
18 AND EMPLOYMENT HISTORY REVIEWS, pursuant to [section 111] <--  
19 SECTIONS 111 AND 111.1, for all individuals identified in the  
20 application who shall have direct contact with students[.] and a  
21 plan for satisfying the proper criminal history record  
22 clearances AND EMPLOYMENT HISTORY REVIEWS required for all other <--  
23 staff.

24 (16) An official clearance statement regarding child injury  
25 or abuse from the Department of Public Welfare as required by 23  
26 Pa.C.S. Ch. 63 Subch. [C.2 (relating to background checks for  
27 employment in schools)] C (relating to powers and duties of  
28 department) and section 111 for all individuals identified in  
29 the application who shall have direct contact with students[.]  
30 and a plan for satisfying the proper official clearance

1 statement regarding child injury or abuse required for all other  
2 staff.

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

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

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

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

27 (b) A local board of school directors may not impose  
28 additional terms, develop its own application or require  
29 additional information outside the standard application forms  
30 required under subsection (a). The department shall review the

1 standard application forms every three (3) years and shall  
2 submit any recommended revisions in writing to the Education  
3 Committee of the Senate and the Education Committee of the House  
4 of Representatives. No such recommended revisions shall be made  
5 to the standard application forms unless the revisions are  
6 enacted by the General Assembly.

7 Section ~~13.6~~ 14. Section 1720-A of the act, amended July 9, <--  
8 2008, (P.L.846, No.61), is amended to read:

9 Section 1720-A. Term and Form of Charter.--(a) (1) Upon  
10 approval of a charter application under section 1717-A, a  
11 written charter shall be developed which shall contain the  
12 provisions of the standardized charter application under section  
13 1719-A and which shall be signed by the local board of school  
14 directors of a school district, by the local boards of school  
15 directors of a school district in the case of a regional charter  
16 school or by the chairman of the appeal board pursuant to  
17 section [1717-A(i) (5)] 1717-A(i) (9) and the board of trustees of  
18 the charter school or regional charter school. This written  
19 charter, when duly signed by the local board of school directors  
20 of a school district, [or] by the local boards of school  
21 directors of a school district in the case of a regional charter  
22 school or by the chairman of the appeal board, and the charter  
23 school or regional charter school's board of trustees, shall act  
24 as legal authorization for the establishment of a charter school  
25 or regional charter school. This written charter shall be  
26 legally binding on both the local board of school directors of a  
27 school district and the charter school or regional charter  
28 school's board of trustees. [Except as otherwise provided in  
29 subsection (b), the charter shall be for a period of no less  
30 than three (3) nor more than five (5) years and may be renewed

1 for five (5) year periods upon reauthorization by the local  
2 board of school directors of a school district or the appeal  
3 board.] If the charter school or regional charter school  
4 contracts with an educational management service provider, a  
5 contract shall be executed once the charter is approved. A  
6 charter will be granted only for a school organized as a public,  
7 nonprofit corporation.

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

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

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

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

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

1 section 1731.2-A shall be subject to review by the local board  
2 of school directors or other governing body of a school  
3 district.

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

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

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

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

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

29 (2) Within sixty (60) days of its receipt of the request for  
30 an amendment, the local board of school directors shall hold a

1 public hearing on the requested amendment under 65 Pa.C.S. Ch. 7  
2 (relating to open meetings).

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

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

12 Section ~~13.7~~ 15. Section 1721-A(a) and (e) of the act, added <--  
13 June 19, 1997 (P.L.225, No.22), are amended to read:

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

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

24 (2) A school board member.

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

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

29 (5) A member of the business community.

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

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

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

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

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

17 \* \* \*

18 (e) Meetings of the appeal board shall be conducted under  
19 [the act of July 3, 1986 (P.L.388, No.84), known as the  
20 "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).

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

25 Section ~~13.8~~ 16. Section 1722-A(a), (b) and (d) of the act, <--  
26 amended November 17, 2010 (P.L.996, No.104), are amended and the  
27 section is amended by adding subsections to read:

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

19 \* \* \*

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

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

29 (3) If alcoholic beverages have been made available for  
30 consumption, purchase or sale in a charter school entity

1 facility, the secretary shall order the following forfeitures  
2 against the charter school entity:

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

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

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

10 Section ~~13.9~~ 17. Section 1723-A(a), (b) and (d) of the act, <--  
11 amended June 26, 1999 (P.L.394, No.36) and July 9, 2008  
12 (P.L.846, No.61), are amended and the section is amended by  
13 adding a subsection to read:

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

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

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

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

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

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

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

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

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

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

29 (7) As used in this subsection "eligible applicant" shall  
30 mean a student who is seeking to enter a grade level offered by

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

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

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

22 \* \* \*

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

1 cyber charter school] ENTITY as part of a written charter <--  
2 pursuant to section 1720-A.

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

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

18 Section ~~14~~ 18. Section 1724-A(c) of the act, amended June <--  
19 30, 2011 (P.L.112, No.24), is amended to read:

20 Section 1724-A. School Staff.--\* \* \*

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

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

1 account of Social Security payments made by a charter school.

2 \* \* \*

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

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

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

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

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

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)~~ (2), 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 2016-2017 school year and~~ <--  
28 ~~continuing through the 2017-2018 school year~~ FOR EACH SCHOOL <--  
29 YEAR THEREAFTER, a cyber charter school shall receive for each  
30 special education student enrolled the same amount as for each

1 non-special education student as provided in paragraph (2)(ii) <--  
2 (A) (2), plus an additional amount determined by dividing the <--  
3 district of residence's total special education expenditure by  
4 the product of multiplying the combined percentage of section  
5 2509.5(k) times the district of residence's total average daily  
6 membership for the prior school year.

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

9 (B) For the 2018-2019 school year and each school year <--  
10 thereafter until a new special education funding formula for  
11 cyber charter schools is enacted, a cyber charter school shall  
12 receive for each special education student enrolled the same  
13 amount as for each non special education student as provided in  
14 paragraph (2)(ii)(B), plus an additional amount equal to the  
15 lesser of:

16 (I) the district of residence's total special education  
17 expenditure divided by the product of multiplying the combined  
18 percentage of section 2509.5(k) multiplied by the district of  
19 residence's total average daily membership for the prior school  
20 year; or

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

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

25 (3.1) Per student payments to a cyber charter school  
26 calculated under paragraphs (2)(ii)(B) and (3)(ii)(B) shall be  
27 made as follows:

28 (i) The amount under paragraphs (2)(ii)(B) and (3)(ii)(B)  
29 shall be paid by the school district of residence of each  
30 student by deduction and transfer from all State payments due to

1 ~~the school district of residence as provided under paragraph (5)~~  
2 ~~(ii).~~

3 ~~(ii) If a cyber charter school disputes the accuracy of a~~  
4 ~~school district's calculation under paragraphs (2) (ii) (B) and~~  
5 ~~(3) (ii) (B), the cyber charter school shall file a notice of the~~  
6 ~~dispute with the secretary, who shall hold a hearing to~~  
7 ~~determine the accuracy of the school district's calculation~~  
8 ~~within thirty (30) days of the notice.~~

9 ~~(iii) The secretary shall determine the accuracy of the~~  
10 ~~school district's calculation and make any necessary billing~~  
11 ~~adjustment within thirty (30) days of the hearing.~~

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

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

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

23 ~~(3.2) (3.1) (i) For a school district in a city of the first <--~~  
24 ~~class, the amount of cyber charter school savings under~~  
25 ~~subparagraph (ii) FOR THE 2016-2017 SCHOOL YEAR AND EACH SCHOOL <--~~  
26 ~~YEAR THEREAFTER shall be used only for school-based services~~  
27 ~~that may include the following:~~

28 ~~(A) Early childhood education, including full-day~~  
29 ~~kindergarten and prekindergarten.~~

30 ~~(B) Tutoring services.~~

1 (C) Educational enrichment programs.

2 (D) Reducing class size.

3 (E) Reducing or eliminating fees to participate in after-  
4 school programs such as music or athletics.

5 (F) Expanding access to the arts, including music and art.

6 (G) Library services.

7 (ii) The amount of cyber charter school savings shall be  
8 calculated as follows: <--

9 ~~(A) For the 2015-2016 school year, the difference between~~  
10 ~~charter payments calculated under paragraphs (2)(i) and (3)(i)~~  
11 ~~and cyber charter payments calculated under paragraphs (2)(ii)~~  
12 ~~(A) and (3)(ii)(A).~~

13 ~~(B) For the 2016-2017 school year and each school year~~  
14 ~~thereafter, EQUAL TO the difference between charter payments~~ <--  
15 ~~calculated under paragraphs (2)(i) and (3)(i) and cyber charter~~  
16 ~~payments calculated under paragraphs (2)(ii)(B) and (3)(ii)(B)~~ <--  
17 ~~(3)(II).~~ <--

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

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

11 (5) ~~{Payments} (i) For a charter school or regional charter~~<--  
12 ~~school, payments~~ shall be made to the charter school ~~or regional~~  
13 ~~charter school ENTITY~~ in twelve (12) equal monthly payments, by <--  
14 the fifth day of each month, within the operating school year. A  
15 student enrolled in a charter school ~~or regional charter school~~ <--  
16 ~~ENTITY~~ shall be included in the average daily membership of the <--  
17 student's district of residence for the purpose of providing  
18 basic education funding payments and special education funding  
19 pursuant to Article XXV. If a school district fails to make a  
20 payment to a charter school ~~or regional charter school ENTITY~~ as <--  
21 prescribed in this ~~{clause} subparagraph~~, the secretary shall <--  
22 deduct the estimated amount, as documented by the charter school  
23 ~~or regional charter school ENTITY~~, from any and all State <--  
24 payments made to the district after receipt of documentation  
25 from the charter school[.] ~~or regional charter school. ENTITY.~~ <--  
26 ANY INVOICE SUBMITTED TO THE DEPARTMENT PRIOR TO JUNE 30 OF ANY  
27 CALENDAR YEAR THAT REMAINS UNPAID AS OF JULY 1 OF SAID YEAR  
28 SHALL BE PAID BY THE DEPARTMENT FROM THE NEXT STATE PAYMENT DUE  
29 TO THE SCHOOL DISTRICT OF RESIDENCE, REGARDLESS OF THE YEAR IN  
30 WHICH THE APPROPRIATION TO THE SCHOOL DISTRICT OF RESIDENCE IS

1 ~~MADE. No later than November~~ OCTOBER 1 of each year, a charter <--  
2 ~~school or regional charter school~~ ENTITY shall submit to the <--  
3 ~~school district of residence of each student final documentation~~  
4 ~~of payment to be made based on the average daily membership for~~  
5 ~~the students enrolled in the charter school or regional charter~~ <--  
6 ~~school~~ ENTITY from the school district for the previous school <--  
7 year. If a school district fails to make payment to the charter  
8 ~~school or regional charter school~~ ENTITY, the secretary shall <--  
9 deduct and pay the amount as documented by the charter school or <--  
10 ~~regional charter school~~ ENTITY from any and all State payments <--  
11 made to the district after receipt of documentation from the  
12 ~~charter school or regional charter school~~ ENTITY REGARDLESS OF <--  
13 THE YEAR IN WHICH THE APPROPRIATION TO THE SCHOOL DISTRICT OF  
14 RESIDENCE IS MADE.

15 ~~(ii) For a cyber charter school, the following shall apply~~ <--  
16 ~~beginning in the 2016-2017 school year:~~

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

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

25 ~~(I) all State payments due to the school district of~~  
26 ~~residence; or~~

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

30 ~~(C) At least thirty (30) days prior to the scheduled payment~~

~~1 date each month, a cyber charter school shall provide to the~~  
~~2 department and to the school district of residence of each~~  
~~3 student enrolled in the cyber charter school documentation of~~  
~~4 the cyber charter school's enrollment, on a form to be developed~~  
~~5 by the secretary within sixty (60) days of the effective date of~~  
~~6 this subparagraph. The form, which shall be developed in~~  
~~7 consultation with representatives of cyber charter schools and~~  
~~8 school districts, shall require the cyber charter school to~~  
~~9 provide to the department and to the school district of~~  
~~10 residence of each student enrolled in the cyber charter school,~~  
~~11 documentation of each student's current enrollment in the cyber~~  
~~12 charter school and current residence in the school district,~~  
~~13 including the following information:~~

~~14 (I) Student's name.~~

~~15 (II) Student's home address.~~

~~16 (III) Name and telephone number of student's parent or~~  
~~17 guardian.~~

~~18 (IV) Student's date of birth.~~

~~19 (V) Student's grade level.~~

~~20 (VI) Type of school in which student was previously~~  
~~21 enrolled.~~

~~22 (VII) Student's date of enrollment.~~

~~23 (VIII) Whether the student is being educated under an~~  
~~24 individualized education plan under the Individuals with~~  
~~25 Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400~~  
~~26 et seq.) and the date of the most recent individualized~~  
~~27 education plan.~~

~~28 (IX) The tuition amount due on account of each student.~~

~~29 (X) The total amount due from the school district for that~~  
~~30 month.~~



1 ~~(XI) Copies of the actual documents used by the cyber~~  
2 ~~charter school to verify the student's residence in the school~~  
3 ~~district.~~  
4 ~~The secretary shall not make payments under this section until~~  
5 ~~the cyber charter school provides the department and the school~~  
6 ~~district of residence with a completed form and accompanying~~  
7 ~~documentation as required under this clause. A cyber charter~~  
8 ~~school may make only one (1) payment request per month under~~  
9 ~~this clause. After a cyber charter school makes a payment~~  
10 ~~request under this clause, any necessary corrections or~~  
11 ~~adjustments may be made in the next subsequent monthly payment~~  
12 ~~request. No later than November 1 of each year, a cyber charter~~  
13 ~~school shall submit to the department final documentation of~~  
14 ~~payment to be made based on the average daily membership for the~~  
15 ~~students enrolled in the cyber charter school from each school~~  
16 ~~district of residence for the previous school year. The~~  
17 ~~secretary shall deduct and pay the amount as documented by the~~  
18 ~~cyber charter school from any and all State payments made to the~~  
19 ~~district after receipt of documentation from the cyber charter~~  
20 ~~school.~~

21 ~~(D) The secretary's obligation to make payments under this~~  
22 ~~section is mandatory and ministerial, except that payments made~~  
23 ~~pursuant to this section shall not be given priority over~~  
24 ~~payments required pursuant to sections 633 and 785 and 53~~  
25 ~~Pa.C.S. § 8125(b) (relating to security for tax anticipation~~  
26 ~~notes and sinking fund), preferential claims under section 1155,~~  
27 ~~or an agreement pursuant to which the Commonwealth is required~~  
28 ~~to make payment to a holder of debt issued by or on behalf of a~~  
29 ~~school entity. If payments required under sections 633, 785 and~~  
30 ~~1155 and 53 Pa.C.S. § 8125(b) preclude the timely payment of~~

~~1 funds to a cyber charter school under section 1725-A or will  
2 cause the board of school directors of a school district to fail  
3 to pay or provide for payment under this subsection, nothing  
4 shall preclude the secretary from withholding funds from any and  
5 all State payments made to the school district for the operating  
6 school year or for any subsequent operating school year.~~

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

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

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

~~28 (i) Within thirty (30) days after the payment is made to the  
29 charter school entity as described under paragraph (5), a school  
30 district may notify the secretary that the estimated amount, as~~

1 documented by the charter school entity, is inaccurate.

2 (ii) Within thirty (30) days of the notice by the school  
3 district under subparagraph (i), the secretary shall provide the  
4 school district with a hearing concerning whether the charter  
5 school entity documented that students were enrolled in the  
6 charter school entity, the period of time during which each  
7 student was enrolled in the charter school entity, the school  
8 district of residence of each student enrolled in the charter  
9 school entity and whether the amounts deducted from or paid by  
10 the school district were accurate.

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

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

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

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

28 (vii) Supersedeas shall not be granted to the secretary or  
29 any party to the proceeding on an appeal from the decision of  
30 the secretary under this section; and, absent a court order,

1 payments shall not be held in escrow.

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

27 (c) The Commonwealth shall create a grant program to provide  
28 temporary transitional funding to a school district due to the  
29 budgetary impact relating to any student's first-year attendance  
30 at a charter school. The department shall develop criteria which

1 shall include, but not be limited to, the overall fiscal impact  
2 on the budget of the school district resulting from students of  
3 a school district attending a charter school. The criteria shall  
4 be published in the Pennsylvania Bulletin. This subsection shall  
5 not apply to a public school converted to a charter school under  
6 section 1717-A(b). Grants shall be limited to funds appropriated  
7 for this purpose.]

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

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

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

28 Section ~~14.2~~ 20. Sections 1728-A and 1729-A(a), (b) and (c) <--  
29 of the act, added June 19, 1997 (P.L.225, No.22), are amended to  
30 read:

1 Section 1728-A. Annual Reports and Assessments.--(a) (1)  
2 The local board of school directors shall annually assess and  
3 publicly report whether each charter school or regional charter  
4 school is meeting the goals of its charter and shall conduct a  
5 comprehensive review prior to [granting a five (5) year renewal  
6 of the charter] renewing the charter pursuant to section 1720-  
7 A(a)(2). The local board of school directors shall have ongoing  
8 access to the records and facilities of the charter school or  
9 regional charter school to ensure that the charter school or  
10 regional charter school is in compliance with its charter and  
11 this act and that requirements for testing, civil rights and  
12 student health and safety are being met.

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

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

27 (b) In order to facilitate the local board's review and  
28 secretary's report, each charter school or regional charter  
29 school shall submit an annual report no later than August 1 of  
30 each year to the local board of school directors and the

1 secretary in the form prescribed by the secretary.

2 [(c) Five (5) years following the effective date of this  
3 article, the secretary shall contract with an independent  
4 professional consultant with expertise in public and private  
5 education. The consultant shall receive input from members of  
6 the educational community and the public on the charter school  
7 program. The consultant shall submit a report to the secretary,  
8 the Governor and the General Assembly and an evaluation of the  
9 charter school program, which shall include a recommendation on  
10 the advisability of the continuation, modification, expansion or  
11 termination of the program and any recommendations for changes  
12 in the structure of the program.]

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

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

23 (2) Full review of expense reimbursements for board of  
24 trustees members and administrators, including sampling of all  
25 reimbursements.

26 (3) Review of internal controls, including review of  
27 receipts and disbursements.

28 (4) Review of annual Federal and State tax filings,  
29 including the Internal Revenue Service Form 990, Return of  
30 Organization Exempt from Income Tax and all related schedules

1 and appendices for the charter school entity and charter school  
2 foundation, if applicable.

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

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

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

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

19 (f) A charter school entity may be subject to an annual  
20 audit by the Auditor General, in addition to any other audits  
21 required by Federal law or this ~~article~~ ACT. <--

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

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

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



1 (3) The salaries of all administrators of the charter school  
2 entity.

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

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

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

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

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

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

28 (2) Failure to meet the requirements for student performance  
29 [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or  
30 subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]

1 on assessments or failure to meet any performance standard set  
2 forth in the written charter signed pursuant to section [1716-A]  
3 1720-A.

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

6 (4) Violation of provisions of this article.

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

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

11 \* \* \*

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

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

1 school entity. A member of the board of trustees who is  
2 convicted of a felony or any crime involving moral turpitude  
3 shall be immediately disqualified from serving on the board of  
4 trustees.

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

27 \* \* \*

28 Section ~~14.3~~ 21. The act is amended by adding sections to <--  
29 read:

30 Section 1729.1-A. Evaluation of Educators.--(a) All

1 applications by a charter school entity for a charter or for the  
2 renewal of a charter shall include a system of evaluation for  
3 educators that includes:

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

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

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

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

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

21 (a) Establishment shall be as follows:

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

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

1 have approved the consolidation.

2 (ii) Each school district that granted the initial charter  
3 of any charter school included in the proposed consolidation  
4 approves, by a majority vote of the local board of school  
5 directors, a resolution approving the consolidation as proposed  
6 in the application submitted to the local board of school  
7 directors pursuant to subsection (c). If a local board of school  
8 directors does not adopt a resolution under this clause  
9 approving or rejecting the proposed consolidation within forty-  
10 five (45) days after receipt of the application, the school  
11 district will be deemed to have approved the consolidation.

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

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

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

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

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

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

3 (2) Accepted standards of fiscal management or audit  
4 requirements.

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

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

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

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

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

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

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

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

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

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

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

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

18 (d) A multiple charter school organization may:

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

26 Nothing in this paragraph shall alter the manner in which  
27 charter school performance on assessments is measured as

28 required under the No Child Left Behind Act of 2001 (Public Law <--  
29 107-110, 115 Stat. 1425) EVERY STUDENT SUCCEEDS ACT (PUBLIC LAW <--  
30 114-95, 129 STAT. 1802), or its successor Federal statute.

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

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

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

20 (f) Appeals shall be as follows:

21 (1) The appeal board shall have the exclusive review of an  
22 appeal by an applicant for consolidation, with respect to the  
23 rejection of a proposed consolidation by either the department  
24 or a school district.

25 (2) In considering an appeal under this section, the appeal  
26 board shall:

27 (i) Review the decision made by either the department or the  
28 school district on the record as certified by the entity that  
29 made the decision being appealed, provided that the appeal board  
30 may allow the department, a school district or the applicant for



1 consolidation to supplement the record if the supplemental  
2 information was previously unavailable.

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

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

8 (iv) Make its decision based on whether the proposed  
9 consolidation satisfies the requirements of subsections (b) and  
10 (c).

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

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

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

23 Section 1731.1-A. Fund Balance Limits.--Fund balance limits  
24 shall be as follows:

25 (1) For the 2016-2017 school year and each school year  
26 thereafter, a charter school entity shall not accumulate an  
27 unassigned fund balance greater than the charter school entity  
28 unassigned fund balance limit, which will be determined as  
29 follows:

30 Maximum Unassigned Fund

<u>Charter School Entity</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>
<u>Between \$14,000,000 and \$14,999,999</u>	<u>14.5%</u>
<u>Between \$15,000,000 and \$15,999,999</u>	<u>14%</u>
<u>Between \$16,000,000 and \$16,999,999</u>	<u>13.5%</u>
<u>Between \$17,000,000 and \$17,999,999</u>	<u>13%</u>
<u>Between \$18,000,000 and \$18,999,999</u>	<u>12.5%</u>
<u>Greater Than or Equal to \$19,000,000</u>	<u>12%</u>

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

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

1 budgeted expenditures for that school year.

2 (4) Unassigned funds of the charter school entity in excess  
3 of the unassigned fund balance limit may not be used to pay  
4 bonuses to any administrator, board of trustees member, employe,  
5 staff member or contractor and may not be transferred to a  
6 charter school foundation. If a charter school entity uses funds  
7 in excess of the unassigned fund balance limit to pay bonuses to  
8 any administrator, board of trustees member, employe, staff  
9 member or contractor or transfers such funds to a charter school  
10 foundation, the value of the bonus payment or fund transfer  
11 shall be refunded on a pro rata basis to all school districts  
12 that paid tuition to the charter school entity in the prior  
13 school year, based upon the number of students for whom each  
14 school district paid tuition to the charter school entity  
15 multiplied by the school district's per student payment under  
16 section 1725-A.

17 (5) As used in this section, "unassigned fund balance" shall  
18 mean that portion of the fund balance of a charter school entity  
19 that provides funding or resources or otherwise THAT serves to <--  
20 support the charter school entity that is:

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

23 (ii) held in the General Fund accounts of the charter school  
24 entity.

25 Section 1731.2-A. Performance Matrix.--The following shall  
26 apply:

27 (1) Within twenty-four (24) months of the effective date of  
28 this section, the State board shall develop a standard  
29 performance matrix to evaluate charter school entity performance  
30 and shall promulgate regulations pursuant to the act of June 25,

1 1982 (P.L.633, No.181), known as the "Regulatory Review Act," to  
2 implement this section.

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

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

21 (4) In developing the performance matrix, the State board  
22 may:

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

26 (ii) To the extent possible, utilize an existing database  
27 developed by the department, including the School Performance  
28 Profile.

29 (5) Neither the department nor any local board of school  
30 directors or other school district governing authority may

1 develop a separate performance matrix for the evaluation of a  
2 charter school entity. The department shall review the  
3 performance matrix every three (3) years to ensure the  
4 performance matrix properly measures school quality and shall  
5 submit any recommendations in writing to the State Board of  
6 Education, the Education Committee of the Senate and the  
7 Education Committee of the House of Representatives. Such  
8 recommended revisions shall not take effect unless the State  
9 Board of Education promulgates regulations to adopt the  
10 revisions pursuant to the "Regulatory Review Act."

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

17 (ii) The department shall utilize the standard performance  
18 matrix as a primary factor in evaluating renewal cyber charter  
19 school applicants, in evaluating consolidation applications  
20 under section 1729.2-A and in annual monitoring and evaluation  
21 of cyber charter schools.

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

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

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

8 Section ~~14.4~~ 22. Section 1732-A of the act, amended or added <--  
9 June 19, 1997 (P.L.225, No.22), and June 29, 2002 (P.L.524,  
10 No.88), is amended to read:

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

14 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436,  
15 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,  
16 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),  
17 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,  
18 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,  
19 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,  
20 Article XIII-A and Article XIV.

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

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

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

29 (5) Section 4 of the act of January 25, 1966 (1965 P.L.1546,  
30 No.541), entitled "An act providing scholarships and providing

1 funds to secure Federal funds for qualified students of the  
2 Commonwealth of Pennsylvania who need financial assistance to  
3 attend postsecondary institutions of higher learning, making an  
4 appropriation, and providing for the administration of this  
5 act."

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

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

12 (8) 65 Pa.C.S. Ch. 7 (relating to open meetings).

13 (9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and  
14 financial disclosure).

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

17 [Section 5.216 (relating to ESOL).

18 Section 5.4 (relating to general policies).]

19 (1) Chapter 4 (relating to academic standards and  
20 assessments).

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

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

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

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

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

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

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

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

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

6 Section ~~14.5~~ 23. The act is amended by adding a section to <--  
7 read:

8 Section 1733-A. Effect on Existing Charter School

9 Entities.--(a) Within one (1) year of the effective date of  
10 this section, a charter school entity established under section  
11 1717-A, 1718-A or 1745-A prior to the effective date of this  
12 section shall amend its current charter through the amendment  
13 process under section 1720-A(c) or 1745-A(f) (5) as needed to  
14 reflect the requirements of this article. Any renewal that takes  
15 effect after June 30, 2016, shall be for the term specified  
16 under section 1720-A(a) (2) or 1745-A(f) (3).

17 (b) A charter school entity approved after the effective  
18 date of this section shall be in full compliance with this  
19 article.

20 (c) Within ninety (90) days of the effective date of this  
21 section, each charter school entity shall demonstrate, to the  
22 satisfaction of the local board of school directors or, in the  
23 case of a cyber charter school, to the satisfaction of the  
24 department, that the charter school entity is in compliance with  
25 ~~sections 1332 and 1333~~ THE COMPULSORY ATTENDANCE PROVISIONS OF <--  
26 ARTICLE XIII, including the institution of truancy proceedings  
27 when required under ~~section 1333~~ ARTICLE XIII. <--

28 Section ~~14.6~~ 24. Sections 1741-A(c) and 1742-A of the act, <--  
29 added June 29, 2002 (P.L.524, No.88), are amended to read:  
30 Section 1741-A. Powers and duties of department.



1 \* \* \*

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

6 Section 1742-A. Assessment and evaluation.

7 (a) The department shall:

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

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

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

24 (b) School districts, intermediate units, community colleges  
25 and State system institutions shall provide a cyber charter  
26 school with reasonable access to its facilities for the  
27 administration of standardized testing as follows:

28 (1) A cyber charter school shall provide an intermediate  
29 unit, school district, community college or State system  
30 institution with at least 60 days' notice of the need for

1 facilities to be used for the administration of standardized  
2 tests.

3 (2) Within 30 days of the cyber charter school's  
4 request, the intermediate unit, school district, community  
5 college or State system institution shall notify the cyber  
6 charter school of the location of the facilities that will be  
7 provided, which shall be a quiet, separate location in which  
8 cyber charter school students will not be commingled with  
9 students of the intermediate unit, school district, community  
10 college or State system institution.

11 (3) An intermediate unit, school district of residence,  
12 community college or State system institution shall not be  
13 required to make facilities available to a cyber charter  
14 school on dates and times that may cause undue interference  
15 with the educational programs of the intermediate unit,  
16 school district, community college or State System  
17 institution.

18 (4) Any facilities rental fee charged to the cyber  
19 charter school and the payment thereof shall be in compliance  
20 with the facility rental policy of the intermediate unit,  
21 school district, community college or State system  
22 institution that applies generally to all organizations and  
23 community groups.

24 ~~Section 14.7. Section 1743 A(e) of the act, added June 29, <--~~  
25 ~~2002 (P.L.524, No.88), is amended to read:~~

26 SECTION 25. SECTIONS 1743-A(E), 1744-A, 1745-A AND 1749-A(A) <--  
27 AND (C) OF THE ACT, ADDED JUNE 29, 2002 (P.L.524, NO.88), ARE  
28 AMENDED TO READ:

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

1 \* \* \*

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

4 (1) provide all instructional materials, which may  
5 include electronic or digital books in place of textbooks;

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

12 (3) provide or reimburse for all technology and services  
13 necessary for the on-line delivery of the curriculum and  
14 instruction.

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

18 \* \* \*

19 ~~Section 14.8. Sections 1744 A, 1745 A and 1749 A(a) and (c) <--~~  
20 ~~of the act, added June 29, 2002 (P.L.524, No.88), are amended to~~  
21 ~~read:~~

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

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

27 (1) Provide the cyber charter school within ten days of  
28 receipt of the notice of the admission of the student under  
29 section 1748-A(a) with all records relating to the student,  
30 including transcripts, test scores and a copy of any

1 individualized education program for that student.

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

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

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

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

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

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

26 (b.1) Local board of school directors or intermediate  
27 unit.--

28 (1) Nothing in this article shall be construed to  
29 preclude a school district or an intermediate unit from  
30 offering instruction via the Internet or other electronic

1 means, except that the instruction shall not be recognized as  
2 a cyber charter school under this article unless the school  
3 district or intermediate unit establishes a cyber charter  
4 school pursuant to subsections (a) and ~~(b.1)(1)~~ (B.1)(2). <--

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

8 (c) Attendance.--Attendance at a cyber charter school shall  
9 satisfy requirements for compulsory attendance, subject to  
10 penalties for violation of compulsory attendance requirements  
11 under ~~section 1333~~ ARTICLE XIII. <--

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

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

25 (f) Evaluation criteria.--

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

29 (i) The demonstrated, sustainable support for the  
30 cyber charter school plan by teachers, parents or

1 guardians and students.

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

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

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

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

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

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

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

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

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

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

12 (A) For cyber charter schools that have  
13 satisfied the academic quality benchmark established  
14 by the State board pursuant to section 1731.2-A, a  
15 charter may be renewed for ten-year periods upon  
16 reauthorization by the department; provided that,  
17 beginning in the sixth year of any ten-year period of  
18 renewal under this subclause, the charter of any  
19 cyber charter school that fails for two consecutive  
20 years to satisfy the academic quality benchmark  
21 established by the State board under section 1731.2-A  
22 shall be subject to review by the department.

23 (B) For cyber charter schools that have not  
24 satisfied the academic quality benchmark established  
25 by the State board pursuant to section 1731.2-A, a  
26 charter may be renewed for five-year periods upon  
27 reauthorization by the department.

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

30 (5) (i) A cyber charter school may request amendments

1 to its approved written charter by filing with the  
2 department a written document describing the requested  
3 amendment.

4 (ii) Within 60 days of its receipt of the request  
5 for an amendment, the department shall hold a public  
6 hearing on the requested amendment under 65 Pa.C.S. Ch. 7  
7 (relating to open meetings).

8 (iii) Within 20 days after the hearing, the  
9 department shall grant or deny the requested amendment.  
10 Failure by the department to hold a public hearing and to  
11 grant or deny the amendment within the time period  
12 specified shall be deemed an approval.

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

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

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

26 Section 1749-A. Applicability of other provisions of this act  
27 and of other acts and regulations.

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

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



1 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,  
2 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,  
3 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,  
4 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,  
5 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-  
6 B, 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A,  
7 1719-A, 1721-A, 1722-A, [1723-A(a) and (b)] 1723-A(a), (b)  
8 and (d), 1724-A, 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and  
9 (h), 1729-A, 1729.1-A, 1730-A, 1731-A(a) (1) and (b), 1731.1-  
10 A, 1731.2-A, 1733-A and 2014-A and Articles [XII-A,] XIII-A  
11 and XIV.

12 (1.1) Act of July 19, 1957 (P.L.1017, No.451), known as  
13 the State Adverse Interest Act.

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

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

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

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

1 organizations."

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

4 (7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

5 (8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and  
6 financial disclosure).

7 \* \* \*

8 (c) Existing charter schools.--

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

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

19 (i) Section 1743-A(c), (d), (e), (f), (g), (h) and  
20 (i).

21 (ii) Section 1744-A.

22 (iii) Section 1748-A.

23 ~~Section 15. Section 1855 of the act, amended June 22, 2001 <--~~  
24 ~~(P.L.530, No.35), is amended to read:~~

25 ~~Section 1855. Vocational Education Equipment Grants. (a)~~  
26 ~~For the 2000-2001 fiscal year and the 2001-2002 fiscal year, the~~  
27 ~~Department of Education shall establish a grant program to~~  
28 ~~assist area vocational technical schools, school districts~~  
29 ~~offering approved vocational technical programs and the Thaddeus~~  
30 ~~Stevens State College of Technology in purchasing equipment that~~

1 meets industry standards for the purpose of providing training  
2 to students. Grants shall be limited to the purchase of  
3 equipment in the following program areas: automotive technology,  
4 auto body, diesel technology, precision machine technology,  
5 heating ventilation and air conditioning, printing, dental  
6 assisting, electronics, building trades and other program areas  
7 approved by the Secretary of Education. Grants shall be awarded  
8 by the Department of Education on a matching basis, two State  
9 dollars (\$2) for every local dollar (\$1), and shall be limited  
10 to funds appropriated for that purpose.

11 ~~(b) For the 2015-2016 school year, the Department of~~  
12 ~~Education shall establish a grant program to assist each area~~  
13 ~~vocational technical school and school district with an approved~~  
14 ~~vocational program that applies for and is approved for funding~~  
15 ~~by the Department of Education to purchase equipment that meets~~  
16 ~~industry standards. Grants shall be distributed in an amount to~~  
17 ~~be calculated as follows:~~

18 ~~(1) A base amount of three thousand dollars (\$3,000).~~

19 ~~(2) A per student amount calculated as follows:~~

20 ~~(i) Multiply the 2014-2015 average daily membership in~~  
21 ~~approved vocational education programs for each area vocational~~  
22 ~~technical school or school district that has been approved for~~  
23 ~~funding by the department by the difference between the amount~~  
24 ~~appropriated for career and technical education equipment grants~~  
25 ~~and the sum of the funding distributed under paragraph (1) to~~  
26 ~~all area vocational technical schools and school districts.~~

27 ~~(ii) Divide the product from subparagraph (i) by the sum of~~  
28 ~~the 2014-2015 average daily membership in approved vocational~~  
29 ~~education programs for all area vocational technical schools and~~  
30 ~~school districts that have been approved for funding by the~~

1 ~~department.~~

2 ~~(c) The application to apply for funding under subsection~~  
3 ~~(b) shall be developed by the department within thirty days of~~  
4 ~~the effective date of this section and only require the~~  
5 ~~following, which may be collected electronically:~~

6 ~~(1) Name, address, e mail address and telephone number of~~  
7 ~~the area vocational technical school or school district.~~

8 ~~(2) Name, e mail address and telephone number of an employee~~  
9 ~~of the area vocational technical school or school district who~~  
10 ~~will be available to answer questions regarding the funding~~  
11 ~~application.~~

12 ~~(3) Description of the equipment for which the requested~~  
13 ~~funding will be used; the career and technical education program~~  
14 ~~in which the equipment will be used; the date on which the~~  
15 ~~occupational advisory committee recommended the purchase of the~~  
16 ~~equipment; and verification that the equipment will be used for~~  
17 ~~technical classroom instruction.~~

18 ~~(d) The department may not request and consider any~~  
19 ~~information other than the information provided in the funding~~  
20 ~~application.~~

21 ~~(e) Each area vocational technical school or school district~~  
22 ~~with an approved vocational program that submits a completed~~  
23 ~~funding application shall receive funding in the amount~~  
24 ~~determined under subsection (b).~~

25 ~~(f) For purposes of this section, "occupational advisory~~  
26 ~~committee" shall mean an occupational advisory committee~~  
27 ~~established pursuant to 22 Pa. Code Ch. 339 (relating to~~  
28 ~~vocational education).~~

29 Section 16 26. Section 1904-A(d) of the act, added July 4, <--  
30 2004 (P.L.536, No.70), is amended to read:

1 Section 1904-A. Election or Appointment; Term and  
2 Organization of Board of Trustees.--\* \* \*

3 (d) Notwithstanding the provisions of subsections (a) and  
4 (b), the board of trustees of a community college may appoint a  
5 trustee from each county where a campus or satellite classroom  
6 is located for which no local sponsor exists[.] and, for a  
7 community college that is located in a county of the third class  
8 with a population between 290,000 and 310,000 as of the 2010  
9 census, may appoint up to two trustees from a county where a  
10 campus is located for which no local sponsor exists. The trustee  
11 shall be selected by the board of trustees of the community  
12 college. Trustees appointed under the provisions of this  
13 subsection shall be appointed for terms of two years.

14 ~~Section 17. Section 1913 A(b) (1.6) (v) and (1.7) (ii) of the <--~~  
15 ~~act, amended July 9, 2008 (P.L.846, No.61) and July 9, 2013~~  
16 ~~(P.L.408, No.59), are amended and clause (1.6) is amended by~~  
17 ~~adding a subclause to read:~~

18 ~~Section 1913 A. Financial Program; Reimbursement of~~  
19 ~~Payments. \* \* \*~~

20 ~~(b) \* \* \*~~

21 ~~(1.6) For the 2006-2007 fiscal year and each fiscal year~~  
22 ~~thereafter, the payment for a community college shall consist of~~  
23 ~~the following:~~

24 ~~\* \* \*~~

25 ~~(v) Subclauses (i), (ii), (iii) and (iv) shall not apply to~~  
26 ~~the 2011-2012, 2012-2013 [and], 2013-2014 and 2014-2015 fiscal~~  
27 ~~years, and each fiscal year thereafter.~~

28 ~~\* \* \*~~

29 ~~(ix) For the 2015-2016 fiscal year, each community college~~  
30 ~~shall receive an amount equal to the sum of the following:~~

1 ~~(A) An amount equal to the amount allocated to the community~~  
2 ~~college for operating costs under subclause (viii) (A).~~

3 ~~(B) An amount equal to the amount allocated to a community~~  
4 ~~college for the economic development stipend under subclause~~  
5 ~~(viii) (B).~~

6 ~~(C) An amount determined for each community college as~~  
7 ~~follows:~~

8 ~~(I) Divide the sum of the amounts of funding the community~~  
9 ~~college received under paragraphs (A) and (B) by the total~~  
10 ~~amount of funding provided under paragraphs (A) and (B) for all~~  
11 ~~community colleges.~~

12 ~~(II) Multiply the quotient in subparagraph (I) by the~~  
13 ~~difference between the appropriation for payment of approved~~  
14 ~~operating expenses of community colleges in fiscal year 2014~~  
15 ~~2015 and fiscal year 2013 2014.~~

16 ~~(D) An amount determined for each community college as~~  
17 ~~follows:~~

18 ~~(I) Multiply the audited full time equivalent enrollment as~~  
19 ~~verified under subsection (k.1) for the most recent year~~  
20 ~~available for the community college by the difference between~~  
21 ~~the appropriation for payment of approved operating expenses of~~  
22 ~~community colleges in fiscal year 2015 2016 and fiscal year~~  
23 ~~2014 2015.~~

24 ~~(II) Divide the product in subparagraph (I) by the sum of~~  
25 ~~the audited full time equivalent enrollment as verified under~~  
26 ~~subsection (k.1) for the most recent year available for all~~  
27 ~~community colleges.~~

28 \* \* \*

29 ~~(1.7) The payment for a community college shall include an~~  
30 ~~economic development stipend which shall consist of the~~

1 following:

2 \* \* \*

3 ~~(ii) For the 2006 2007 through 2008 2009 fiscal [year and~~  
4 ~~each fiscal year thereafter] years, each community college shall~~  
5 ~~receive, subject to the provisions of subclause (iii), an amount~~  
6 ~~determined by:~~

7 ~~(A) Adding the following:~~

8 ~~(I) the number of full time equivalent students enrolled in~~  
9 ~~high priority and high instructional cost occupation programs at~~  
10 ~~the community college multiplied by 1.50;~~

11 ~~(II) the number of full time equivalent students enrolled in~~  
12 ~~high priority occupation programs at the community college~~  
13 ~~multiplied by 1.25; and~~

14 ~~(III) the number of full time equivalent students enrolled~~  
15 ~~in noncredit workforce development courses at the community~~  
16 ~~college.~~

17 ~~(B) Dividing the total from paragraph (A) by the sum of the~~  
18 ~~totals from paragraph (A) for all community colleges.~~

19 ~~(C) Multiplying the amount from paragraph (B) by the amount~~  
20 ~~allocated for the economic development stipend pursuant to~~  
21 ~~clause (1.6)(ii).~~

22 ~~(D) Applying the following:~~

23 ~~(I) For the 2006 2007 fiscal year, for the first, second and~~  
24 ~~third quarter payments made in the 2007 2008 fiscal year, and~~  
25 ~~for the first and second quarter payments made in the 2008 2009~~  
26 ~~fiscal year and each fiscal year thereafter, the number of full~~  
27 ~~time equivalent students shall be determined based upon the~~  
28 ~~final midyear rebudget submitted by a community college for the~~  
29 ~~prior fiscal year. Such rebudget shall be submitted, as required~~  
30 ~~by the Department of Education, no later than May 31, 2006, and~~

1 ~~May 31 of each year thereafter.~~

2 ~~(II) For the 2007-2008 fiscal year, the Department of~~  
3 ~~Education shall provide the fourth quarter payment to each~~  
4 ~~community college under this subclause based upon the number of~~  
5 ~~full time equivalent students enrolled in high priority and~~  
6 ~~high instructional cost occupation programs, high priority~~  
7 ~~occupation programs and noncredit workforce development courses~~  
8 ~~for the 2006-2007 fiscal year, as verified in the audited~~  
9 ~~financial statement required under subsection (k.1).~~

10 ~~(III) For the 2008-2009 fiscal year and each fiscal year~~  
11 ~~thereafter, the Department of Education shall provide the third~~  
12 ~~and fourth quarter payments to each community college under this~~  
13 ~~subclause based upon the number of full time equivalent students~~  
14 ~~enrolled in high priority and high instructional cost occupation~~  
15 ~~programs, high priority occupation programs and noncredit~~  
16 ~~workforce development courses for the immediately preceding~~  
17 ~~fiscal year, as verified in the audited financial statement~~  
18 ~~required under subsection (k.1).~~

19 ~~\* \* \*~~

20 ~~Section 18. Section 1902 C introductory paragraph of the~~  
21 ~~act, added June 25, 1997 (P.L.297, No.30), is amended and the~~  
22 ~~section is amended by adding a subsection to read:~~

23 ~~Section 1902 C. Applications. (a) Applicants shall submit~~  
24 ~~applications at the time, in the manner and containing or~~  
25 ~~accompanied by such information as the department may prescribe~~  
26 ~~but, in any case, shall document the following:~~

27 ~~\* \* \*~~

28 ~~(b) A school district, combination of school districts or~~  
29 ~~charter school that makes an application to establish an~~  
30 ~~alternative education program shall submit initial and renewal~~



1 ~~applications along with a fee of four hundred dollars (\$400) as~~  
2 ~~prescribed by the department. The money collected shall be~~  
3 ~~deposited into a restricted account in the General Fund to be~~  
4 ~~known as the Alternative Education Program Account. The money in~~  
5 ~~the restricted account is hereby appropriated on a continuing~~  
6 ~~basis to the department.~~

7 Section 19. ~~Section 1902 E of the act, added November 23,~~  
8 ~~1999 (P.L.529, No.48), is amended by adding a paragraph to read:~~

9 ~~Section 1902 E. Contracts with Private Alternative Education~~  
10 ~~Institutions.—~~

11 ~~\* \* \*~~

12 ~~(5) A private alternative education institution that makes~~  
13 ~~an application for approval to operate shall submit initial and~~  
14 ~~renewal applications along with a fee of one thousand dollars~~  
15 ~~(\$1,000) as prescribed by the department. The funds collected~~  
16 ~~shall be deposited into the Alternative Education Program~~  
17 ~~Account established in section 1902 C(b).~~

18 Section 20. ~~The act is amended by adding an article to read:~~

19 ~~ARTICLE XIX G~~

20 ~~RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES~~

21 ~~Section 1901 G. (Reserved).~~

22 ~~Section 1901.1 G. Legislative intent.~~

23 ~~It is the intent of the General Assembly to provide for the~~  
24 ~~continued existence, operation and administration of the rural~~  
25 ~~regional college established under former Article XVII E.1 of~~  
26 ~~the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal~~  
27 ~~Code.~~

28 ~~Section 1901.2 G. Appropriations.~~

29 ~~Appropriations for the operation of the rural regional~~  
30 ~~college shall have preferred status and be considered ordinary~~

1 ~~expenses of State government.~~

2 ~~Section 1902 G. Scope of article.~~

3 ~~This article provides for the establishment of a rural~~  
4 ~~regional college in a multicounty rural area that is underserved~~  
5 ~~by comprehensive community college education and work force~~  
6 ~~development.~~

7 ~~Section 1903 G. Definitions.~~

8 ~~The following words and phrases when used in this article~~  
9 ~~shall have the meanings given to them in this section unless the~~  
10 ~~context clearly indicates otherwise:~~

11 ~~"Annual." A 12 month period coterminous with the~~  
12 ~~Commonwealth's fiscal year beginning July 1 and ending June 30.~~

13 ~~"Board of trustees." The board of trustees of a rural~~  
14 ~~regional college established under this article.~~

15 ~~"Certified public accountant." A member of the American~~  
16 ~~Institute of Certified Public Accountants who has a minimum of~~  
17 ~~five years' verifiable experience in performing audits of~~  
18 ~~government funds for nonprofit organizations with a comparable~~  
19 ~~or larger annual budget.~~

20 ~~"County." Any county in this Commonwealth.~~

21 ~~"Middle States." The Middle States Association of Colleges~~  
22 ~~and Schools.~~

23 ~~"Partner institution." One or more Middle States accredited~~  
24 ~~institutions of higher education.~~

25 ~~"Rural regional college." A public institution of higher~~  
26 ~~education which is established in a rural area and operated in~~  
27 ~~accordance with the provisions of this article as a college~~  
28 ~~which provides up to a two year, postsecondary education not to~~  
29 ~~exceed the level of an associate of arts or sciences degree and~~  
30 ~~which is active in work force development.~~

1 ~~"Rural regional college plan" or "plan." A plan for the~~  
2 ~~establishment and operation of a rural regional college under~~  
3 ~~this article.~~

4 ~~"Secretary." The Secretary of Education of the Commonwealth~~  
5 ~~or such person as the secretary may designate to act on behalf~~  
6 ~~of the secretary with regard to any of the duties and~~  
7 ~~prerogatives imposed by this article.~~

8 ~~"State Board." The State Board of Education.~~

9 ~~Section 1904 G. Designations by secretary.~~

10 ~~(a) Duties of secretary.~~

11 ~~(1) The secretary shall designate an established~~  
12 ~~nonprofit organization as defined under section 501(c)(3) of~~  
13 ~~the Internal Revenue Code of 1986 (Public Law 99-514, 26~~  
14 ~~U.S.C. § 501(c)(3)), which represents a rural multicounty~~  
15 ~~region underserved by a comprehensive community college~~  
16 ~~program, including work force development, to assist the~~  
17 ~~secretary with the designation under paragraph (2).~~

18 ~~(2) Within 30 days of the designation under paragraph~~  
19 ~~(1), the secretary shall, in consultation with the nonprofit~~  
20 ~~organization, designate contiguous counties or parts of~~  
21 ~~contiguous counties to be served by establishment of a rural~~  
22 ~~regional college.~~

23 ~~(b) Changes. No sooner than July 10, 2018, the secretary,~~  
24 ~~with approval of the board of trustees, may add counties or~~  
25 ~~parts of counties to be served by the rural regional college.~~

26 ~~Section 1905 G. Designation and board of trustees.~~

27 ~~Within 60 days of the secretary's designation under section~~  
28 ~~1904 G(a)(2), a board of trustees shall be appointed to~~  
29 ~~establish a rural regional college. The board of trustees shall~~  
30 ~~consist of not fewer than seven members nor more than 15 members~~

1 ~~appointed by the secretary in consultation and jointly with the~~  
2 ~~nonprofit organization designated under section 1904 G(a) (1).~~  
3 ~~The following shall apply to the board of trustees established~~  
4 ~~under this section:~~

5 ~~(1) Members of the board of trustees shall be~~  
6 ~~representative of the area designated under section 1904 G(a)~~  
7 ~~(2) and may include school administrators, community~~  
8 ~~education council officials, business leaders and government~~  
9 ~~officials.~~

10 ~~(2) Members of the board of trustees shall be appointed~~  
11 ~~for terms of three years each, except that those persons~~  
12 ~~initially appointed shall draw lots to determine which~~  
13 ~~trustees shall serve for a term of three years, which~~  
14 ~~trustees shall serve for a term of two years and which~~  
15 ~~trustees shall serve for a term of one year. To the extent~~  
16 ~~practicable, from those trustees initially appointed, an~~  
17 ~~equal number shall draw lots to serve for a term of three~~  
18 ~~years, for a term of two years and for a term of one year.~~  
19 ~~Thereafter, all members shall be appointed for terms of three~~  
20 ~~years each.~~

21 ~~(3) Vacancies on the board shall be filled by the~~  
22 ~~existing board. A trustee may succeed himself, provided that~~  
23 ~~no member shall serve for longer than 10 years.~~

24 ~~(4) The secretary shall convene an initial meeting of~~  
25 ~~the board of trustees within 30 days of the secretary's~~  
26 ~~appointment of a board of trustees under this section. After~~  
27 ~~the initial meeting, the board of trustees shall meet at such~~  
28 ~~times each year as the board of trustees determines to be~~  
29 ~~necessary to satisfy the requirements of this article.~~

30 ~~(5) The board of trustees shall adopt standing operating~~

1 ~~rules and procedures, bylaws and articles of incorporation.~~

2 ~~(6) The board of trustees shall establish an advisory~~  
3 ~~council of presidents, or their designees, from institutions~~  
4 ~~with postsecondary education programs within the region~~  
5 ~~designated under section 1904 G(a)(2). The advisory council~~  
6 ~~shall meet quarterly to discuss employer and work force~~  
7 ~~needs, new educational offerings and general coordination of~~  
8 ~~service and facilities. One advisory council member~~  
9 ~~representing a community college and one advisory council~~  
10 ~~member that is a president of a college or university shall~~  
11 ~~serve as cochairmen. The cochairmen of the advisory council~~  
12 ~~shall provide updates to the board of trustees as~~  
13 ~~appropriate.~~

14 ~~(7) The board of trustees shall choose from among its~~  
15 ~~members a chairman, vice chairman and secretary.~~

16 ~~(8) A majority of the members of the board of trustees~~  
17 ~~shall constitute a quorum.~~

18 ~~(9) Trustees shall serve without compensation, except~~  
19 ~~that they shall be reimbursed by the rural regional college~~  
20 ~~for their actual and necessary expenses incurred in the~~  
21 ~~performance of their duties.~~

22 ~~Section 1906 G. Establishment.~~

23 ~~(a) General rule. No later than October 30, 2016, the board~~  
24 ~~of trustees appointed under section 1905 G shall submit to the~~  
25 ~~secretary a proposed rural regional college plan in such form~~  
26 ~~and containing such information as the secretary may require. In~~  
27 ~~addition to other information which may be required by the~~  
28 ~~secretary, the plan shall include the following:~~

29 ~~(1) A designation of the name of the proposed rural~~  
30 ~~regional college which shall be the "Rural Regional College~~

1 ~~of \_\_\_\_\_ " or " \_\_\_\_\_ Rural Regional~~  
2 ~~College."~~

3 ~~(2) A survey of the educational, vocational and~~  
4 ~~occupational needs of the area and the means by which the~~  
5 ~~proposed rural regional college will meet those needs,~~  
6 ~~reengage high school dropouts to earn their secondary~~  
7 ~~credentials and postsecondary credentials or industry~~  
8 ~~certification, reduce unemployment and improve the employable~~  
9 ~~skills of residents of the area to be served by the rural~~  
10 ~~regional college.~~

11 ~~(3) An operating and financial plan for the proposed~~  
12 ~~rural regional college, including a plan for the capital~~  
13 ~~needs and expenses of the proposed rural regional college.~~

14 ~~(4) A plan by which the rural regional college shall~~  
15 ~~seek accreditation by an accrediting association which is~~  
16 ~~recognized by the United States Department of Education.~~

17 ~~(b) Submission of plan. Within 60 days of the submission of~~  
18 ~~the rural regional college plan to the secretary, the secretary~~  
19 ~~shall issue an approval or rejection of the plan. A rejection of~~  
20 ~~the plan shall be accompanied by a written statement of the~~  
21 ~~reasons for the rejection of the plan. If the plan is rejected,~~  
22 ~~the board of trustees shall submit a revised plan to the~~  
23 ~~secretary within 60 days of the plan's rejection.~~

24 ~~(c) Plan approval. Upon the approval of the plan by the~~  
25 ~~secretary, the rural regional college shall be considered~~  
26 ~~established.~~

27 ~~Section 1907 G. Powers and duties of board of trustees.~~

28 ~~(a) General rule. The board of trustees appointed under~~  
29 ~~section 1905 G shall administer and supervise the affairs of the~~  
30 ~~rural regional college established under this article. Subject~~

1 ~~to any other law and to any regulations promulgated by the State~~  
2 ~~Board pertaining to rural regional colleges, the board of~~  
3 ~~trustees shall have the following powers and duties:~~

4 ~~(1) To advance the mission of the rural regional college~~  
5 ~~in service to residents of the region designated under~~  
6 ~~section 1904 G(a) (2).~~

7 ~~(2) To appoint and fix the salary of a president of the~~  
8 ~~rural regional college.~~

9 ~~(3) To appoint and fix the salary of a chief financial~~  
10 ~~officer of the rural regional college.~~

11 ~~(4) To hold, rent, lease, sell, purchase and improve~~  
12 ~~land, buildings, furnishings, equipment, materials, books and~~  
13 ~~supplies.~~

14 ~~(5) To enter into contracts for services with community~~  
15 ~~education councils, schools, colleges or universities, or~~  
16 ~~with school districts or municipalities, and other applicable~~  
17 ~~or appropriate agencies and organizations to effectuate the~~  
18 ~~purposes of this article.~~

19 ~~(6) To accept and receive gifts of real and personal~~  
20 ~~property and Federal, State and local money, loans and grants~~  
21 ~~and to expend the same.~~

22 ~~(7) To make policies providing for the admission and~~  
23 ~~expulsion of students, the courses of instruction, the~~  
24 ~~tuition and fees to be charged and for all matters related to~~  
25 ~~the government and administration of the rural regional~~  
26 ~~college, provided that policies related to admission, tuition~~  
27 ~~and fees give preference to residents of the area designated~~  
28 ~~by the secretary under section 1904 G(a) (2).~~

29 ~~(8) To submit to the secretary for approval proposed~~  
30 ~~amendments to the rural regional college plan.~~

1       ~~(9) To enter into contracts for services to high schools~~  
2 ~~located in the area designated by the secretary under section~~  
3 ~~1904 G to provide services, including area vocational~~  
4 ~~technical education services.~~

5       ~~(10) To approve an annual budget to be submitted to the~~  
6 ~~secretary for funding.~~

7       ~~(11) To exercise such other powers and perform such~~  
8 ~~other duties as are necessary to effectuate the purposes of~~  
9 ~~this article.~~

10     ~~(b) Duties of board. The board of trustees shall enter into~~  
11 ~~contracts, hold property and take other actions in the name of~~  
12 ~~the rural regional college.~~

13     ~~(c) Initial partnership.~~

14       ~~(1) The board of trustees shall select initially a~~  
15 ~~partner institution to develop and offer accredited courses~~  
16 ~~and programs of study at the approved sites of operation~~  
17 ~~which have been selected by the board of trustees.~~

18       ~~(2) The partner institution shall select programs only~~  
19 ~~with approval of the board of trustees and consistent with~~  
20 ~~the partner institution's accreditation and shall be~~  
21 ~~responsible for staffing and evaluation and provision of~~  
22 ~~other support services as may be required for students.~~

23       ~~(3) The board of trustees may contract with other~~  
24 ~~colleges to provide curricula not available through the~~  
25 ~~partner institution.~~

26       ~~(4) As the rural regional college is able to operate on~~  
27 ~~its own, a transition plan and budget shall be included in~~  
28 ~~the contract between the rural regional college and the~~  
29 ~~partner institution to efficiently expedite the transition.~~

30       ~~(5) Nothing in this article shall be construed to~~



~~preclude the board of trustees from contracting for specific services or programs following the transition from the initial partner institution.~~

~~Section 1908 G. Officers of rural regional college.~~

~~(a) President. The president shall be the chief executive and administrative officer of the rural regional college and shall perform all duties which the board of trustees may prescribe. The president shall have the right to attend meetings of the board of trustees and to be heard on all matters before it but shall have no right to vote on any matter.~~

~~(b) Chief financial officer. The chief financial officer of the rural regional college shall give a proper bond in such amount and with such corporate surety as is approved by the board of trustees. The chief financial officer shall file the bond with the board of trustees. The account of the chief financial officer shall be audited annually by a certified public accountant or other qualified public accountant selected by the board of trustees.~~

~~Section 1909 G. Students.~~

~~Any individual may apply for admission to the rural regional college established under this article, provided that preference in admissions, tuition and fees may be given to residents of the multicounty area designated by the secretary under section 1904 G(a)(2). In considering applicants for admission, the rural regional college shall not discriminate on the basis of race, color, gender, marital status, ethnic group or religion.~~

~~Section 1910 G. Tuition.~~

~~The tuition and fees charged by the rural regional college shall be an amount determined by the board of trustees, in accordance with the budget submitted to the secretary. The board~~

1 ~~of trustees shall annually establish a separate schedule of~~  
2 ~~tuition and fees for students that reside inside the region~~  
3 ~~designated under section 1904 G(a) (2) and students that reside~~  
4 ~~outside the region.~~

5 ~~Section 1911 G. Dissolution and transition of rural regional~~  
6 ~~college.~~

7 ~~The rural regional college established under this article may~~  
8 ~~not be dissolved without the approval of the secretary. Upon~~  
9 ~~dissolution of the rural regional college, the Commonwealth~~  
10 ~~shall assume all assets and liabilities of the rural regional~~  
11 ~~college, except that such assets that are the property of any~~  
12 ~~partner institution that may be operating for and within the~~  
13 ~~rural regional college shall remain the property of the partner~~  
14 ~~institution.~~

15 ~~Section 1912 G. Degrees.~~

16 ~~The rural regional college established under this article may~~  
17 ~~award any type of diploma, technical or career training~~  
18 ~~certificate or associate degrees in the arts, sciences,~~  
19 ~~technologies or general education upon successful completion of~~  
20 ~~programs authorized by the board of trustees. As long as the~~  
21 ~~partner institution provides the accredited curricula and~~  
22 ~~courses under contract to the rural regional college, the~~  
23 ~~requirements of the accrediting agency shall pertain to the~~  
24 ~~granting of such awards.~~

25 ~~Section 1913 G. Funding.~~

26 ~~The rural regional college established under this article~~  
27 ~~shall be funded by tuition and fees established by the board of~~  
28 ~~trustees and may accept appropriations from the General~~  
29 ~~Assembly, grants from the Federal Government, grants from the~~  
30 ~~Commonwealth, grants from private foundations or any combination~~

1 ~~thereof.~~

2 ~~Section 1914 G. Financial aid.~~

3 ~~(a) Initial partnership period. During the rural regional~~  
4 ~~college's initial partnership with a partner institution, a~~  
5 ~~student enrolled in the rural regional college shall be eligible~~  
6 ~~for consideration for a Pennsylvania State Grant and other~~  
7 ~~Commonwealth funded financial aid administered by the~~  
8 ~~Pennsylvania Higher Education Assistance Agency, provided that~~  
9 ~~the partner institution is an institution of higher education as~~  
10 ~~approved by and in accordance with rules and regulations of the~~  
11 ~~Pennsylvania Higher Education Assistance Agency.~~

12 ~~(b) Posttransition period. Upon the rural regional college~~  
13 ~~operating on its own without a partner institution, a student~~  
14 ~~shall only be eligible for consideration for a Pennsylvania~~  
15 ~~State Grant and any other Commonwealth funded financial aid if~~  
16 ~~the rural regional college is approved by the Department of~~  
17 ~~Education, is accredited or a recognized candidate for~~  
18 ~~accreditation with an accrediting body recognized under rules~~  
19 ~~and regulations of the Pennsylvania Higher Education Assistance~~  
20 ~~Agency and satisfies any other institutional and administrative~~  
21 ~~program requirements as the Pennsylvania Higher Education~~  
22 ~~Assistance Agency may require.~~

23 ~~Section 1915 G. Regulations.~~

24 ~~The State Board may promulgate regulations under the act of~~  
25 ~~June 25, 1982 (P.L.633, No.181), known as the Regulatory Review~~  
26 ~~Act, as necessary to implement this article.~~

27 ~~Section 1916 G. Reports.~~

28 ~~The Legislative Budget and Finance Committee shall prepare~~  
29 ~~and submit to the General Assembly written interim and final~~  
30 ~~reports evaluating the operation of this article. The interim~~

~~report shall be submitted by June 30, 2018, and the final report shall be submitted by June 30, 2022. Each report shall include, but may not be limited to, the following:~~

~~(1) A review of the success of the rural regional college established under this article in satisfying the goals set forth in the rural regional college plan approved by the secretary and in satisfying the needs of the multicounty area the rural regional college was established to serve.~~

~~(2) Demographic and program data, including the following:~~

~~(i) Numbers of full time and part time faculty and student enrollments, in total and within curricular areas.~~

~~(ii) Dual enrollment participation.~~

~~(iii) Credit hours taught by faculty.~~

~~(iv) Distance learning courses offered.~~

~~(v) Articulation agreements with higher education institutions.~~

~~(vi) Lists of courses with fewer than 20 students.~~

~~(vii) Lists of courses with more than 50 students.~~

~~Where available, student data shall be disaggregated by categories, including gender, race and age.~~

~~(3) Student progress and achievement measures, including the following:~~

~~(i) Retention rates related to student goals.~~

~~(ii) Graduation and completion rates after two, three and four years.~~

~~(iii) Passing rates on certification and licensure examinations.~~

1 ~~(iv) Number of students employed within one year of~~  
2 ~~program completion.~~

3 ~~(v) Placement into additional education or~~  
4 ~~employment in the student's field of study.~~

5 ~~Where available, data shall be disaggregated by categories,~~  
6 ~~including gender, race and age.~~

7 ~~(4) Economic and work force development measures,~~  
8 ~~including:~~

9 ~~(i) Employer satisfaction.~~

10 ~~(ii) Customized job training offerings.~~

11 ~~(iii) Employment status.~~

12 ~~(iv) Numbers of businesses and organizations served.~~

13 ~~(5) Recommendations for future legislation.~~

14 ~~Section 1917 G. Transfers of credits.~~

15 ~~For purposes of facilitating the transfer of credits attained~~  
16 ~~by students of the rural regional college, the rural regional~~  
17 ~~college shall be considered a public institution of higher~~  
18 ~~education as defined in section 2001 C and, upon the rural~~  
19 ~~regional college being able to operate on its own, shall be~~  
20 ~~required to fulfill all the duties and obtain for its students~~  
21 ~~all the benefits of Article XX C within two years of operation~~  
22 ~~of the established rural regional college.~~

23 ~~Section 21. The act is amended by adding sections to read:~~

24 ~~Section 2320. State aid for fiscal year 2015-2016.~~

25 ~~Notwithstanding any other provision of law to the contrary,~~  
26 ~~each library subject to 24 Pa.C.S. Ch. 93 (relating to public~~  
27 ~~library code), shall be eligible for State aid for fiscal year~~  
28 ~~2015-2016, as follows:~~

29 ~~(1) Funds appropriated for libraries shall be~~  
30 ~~distributed to each library under the following formula:~~

1           ~~(i) Divide the amount of funding that the library~~  
2           ~~received in fiscal year 2014-2015 under section 1722-~~  
3           ~~J(18) of the act of April 9, 1929 (P.L.343, No.176),~~  
4           ~~known as The Fiscal Code, by the total State aid subsidy~~  
5           ~~for fiscal year 2014-2015.~~

6           ~~(ii) Multiply the quotient under subparagraph (i) by~~  
7           ~~the total State aid subsidy for fiscal year 2015-2016.~~

8           ~~(2) Following distribution of funds appropriated for~~  
9           ~~State aid to libraries under paragraph (1), any remaining~~  
10           ~~funds may be distributed at the discretion of the State~~  
11           ~~Librarian.~~

12           ~~(3) If funds appropriated for State aid to libraries in~~  
13           ~~fiscal year 2015-2016 are less than funds appropriated in~~  
14           ~~fiscal year 2002-2003, the State Librarian may waive~~  
15           ~~standards as prescribed in 24 Pa.C.S. Ch. 93.~~

16           ~~(4) Each library system receiving State aid under this~~  
17           ~~section may distribute the local library share of that aid in~~  
18           ~~a manner as determined by the board of directors of the~~  
19           ~~library system.~~

20           ~~(5) In the case of a library system that contains a~~  
21           ~~library operating in a city of the second class, changes to~~  
22           ~~the distribution of State aid to the library shall be made by~~  
23           ~~mutual agreement between the library and the library system.~~

24           ~~(6) In the event of a change in district library center~~  
25           ~~population prior to the effective date of this section as a~~  
26           ~~result of:~~

27           ~~(i) a city, borough, town, township, school district~~  
28           ~~or county moving from one library center to another; or~~

29           ~~(ii) a transfer of district library center status to~~  
30           ~~a county library system.~~

~~Funding of district library center aid shall be paid based on the population of the newly established or reconfigured district library center.~~

~~(7) In the event of a change in direct service area from one library to another, the State Librarian, upon agreement of the affected libraries, may redistribute the local library share of aid to the library currently servicing the area.~~

~~Section 2502.53. Student Weighted Basic Education Funding.~~

~~(a) The General Assembly finds and declares that:~~

~~(1) The student weighted basic education funding formula is the result of the work of the Basic Education Funding Commission established pursuant to section 123.~~

~~(2) In the 2014-2015 school year, the student weighted basic education funding formula is one part of the allocation determined in section 2502.54.~~

~~(3) Beginning in the 2015-2016 school year, the student weighted basic education formula will be used to distribute the difference between the amount appropriated for the school year and the amount appropriated for the distribution under section 2502.54.~~

~~(b) For the 2015-2016 school year and each school year thereafter, the Commonwealth shall pay to each school district a basic education funding allocation which shall consist of the following:~~

~~(1) An amount equal to the school district's transition to student weighted basic education funding allocation for the 2014-2015 school year under section 2502.54.~~

~~(2) A student based allocation to be calculated as follows:~~

~~(i) Multiply the school district's student weighted average daily membership by the median household index and local effort~~

1 ~~capacity index.~~

2 ~~(ii) Multiply the product in subparagraph (i) by the~~  
3 ~~difference between the amount appropriated for the allocation of~~  
4 ~~basic education funding to school districts and the amount~~  
5 ~~appropriated for the allocation in paragraph (1).~~

6 ~~(iii) Divide the product in subparagraph (ii) by the sum of~~  
7 ~~the products in subparagraph (i) for all school districts.~~

8 ~~(c) For the purpose of this section:~~

9 ~~(1) Student weighted average daily membership for a school~~  
10 ~~district shall be the sum of the following:~~

11 ~~(i) The average of the school district's three most recent~~  
12 ~~years' average daily membership.~~

13 ~~(ii) The acute poverty average daily membership calculated~~  
14 ~~as follows:~~

15 ~~(A) Multiply the school district's acute poverty percentage~~  
16 ~~by its average daily membership.~~

17 ~~(B) Multiply the product in clause (A) by six tenths (0.6).~~

18 ~~(iii) The poverty average daily membership calculated as~~  
19 ~~follows:~~

20 ~~(A) Multiply the school district's poverty percentage by its~~  
21 ~~average daily membership.~~

22 ~~(B) Multiply the product in clause (A) by three tenths~~  
23 ~~(0.3).~~

24 ~~(iv) The concentrated poverty average daily membership for~~  
25 ~~qualifying school districts with an acute poverty percentage~~  
26 ~~equal to or greater than thirty percent (30%), to be calculated~~  
27 ~~as follows:~~

28 ~~(A) Multiply the school district's acute poverty percentage~~  
29 ~~by its average daily membership.~~

30 ~~(B) Multiply the product in clause (A) by three tenths~~



1 ~~(0.3).~~

2 ~~(v) The number of the school district's limited English~~  
3 ~~proficient students multiplied by six tenths (0.6).~~

4 ~~(vi) The average daily membership for the school district's~~  
5 ~~students enrolled in charter schools and cyber charter schools~~  
6 ~~multiplied by two tenths (0.2).~~

7 ~~(vii) The sparsity/size adjustment for qualifying school~~  
8 ~~districts with a sparsity/size ratio greater than the~~  
9 ~~sparsity/size ratio that represents the 70th percentile~~  
10 ~~sparsity/size ratio for all school districts calculated as~~  
11 ~~follows:~~

12 ~~(A) Divide the school district's sparsity/size ratio by the~~  
13 ~~sparsity/size ratio that represents the 70th percentile for all~~  
14 ~~school districts.~~

15 ~~(B) Subtract one (1) from the quotient in clause (A).~~

16 ~~(C) Multiply the sum of subparagraphs (i), (ii), (iii),~~  
17 ~~(iv), (v) and (vi) by the amount in clause (B).~~

18 ~~(D) Multiply the product in clause (C) by seven tenths~~  
19 ~~(0.7).~~

20 ~~(2) Local effort index for a school district shall be~~  
21 ~~calculated as follows:~~

22 ~~(i) Determine the school district's local effort factor~~  
23 ~~calculated as follows:~~

24 ~~(A) Multiply the school district's median household income~~  
25 ~~by its number of households.~~

26 ~~(B) Divide the school district's local tax related revenue~~  
27 ~~by the product in clause (A).~~

28 ~~(C) Multiply the quotient in clause (B) by one thousand~~  
29 ~~(1,000).~~

30 ~~(D) Divide the product in clause (C) by the Statewide median~~

1 ~~of clause (C).~~

2 ~~(ii) Determine the school district's excess spending factor,~~  
3 ~~to be calculated as follows:~~

4 ~~(A) Divide the school district's current expenditures by the~~  
5 ~~sum of its average daily membership and the amounts in paragraph~~  
6 ~~(1) (ii), (iii), (iv), (v), (vi) and (vii).~~

7 ~~(B) Divide the quotient in clause (A) by the Statewide~~  
8 ~~median of clause (A).~~

9 ~~(C) Divide one (1) by the quotient in clause (B).~~

10 ~~(iii) Multiply the school district's local effort factor by~~  
11 ~~the lesser of one (1) or the school district's excess spending~~  
12 ~~factor.~~

13 ~~(3) Local capacity index for a qualifying school district~~  
14 ~~shall be calculated as follows:~~

15 ~~(i) Divide the school district's local tax related revenue~~  
16 ~~by the sum of its market value and personal income valuation.~~

17 ~~(ii) Multiply the sum of the school district's market value~~  
18 ~~and personal income valuation by the Statewide median of~~  
19 ~~subparagraph (i).~~

20 ~~(iii) Determine the school district's local capacity per~~  
21 ~~student by dividing the product in subparagraph (ii) by the sum~~  
22 ~~of its average daily membership and the amounts in paragraph (1)~~  
23 ~~(ii), (iii), (iv), (v), (vi) and (vii).~~

24 ~~(iv) If the school district's local capacity per student is~~  
25 ~~less than the Statewide median of subparagraph (iii):~~

26 ~~(A) Divide the school district's local capacity per student~~  
27 ~~by the Statewide median.~~

28 ~~(B) Subtract the quotient in clause (A) from one (1).~~

29 ~~(4) Local effort capacity index for a school district shall~~  
30 ~~equal the sum of its local effort index and local capacity~~

1 index.

2 ~~(5) The data used to calculate the factors and indexes in~~  
3 ~~this section shall be based on the most recent years for which~~  
4 ~~data is available as determined by the Department of Education.~~

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

6 ~~(1) "Households" shall mean the number of households in each~~  
7 ~~school district as determined by the most recent five year~~  
8 ~~estimate of the United States Census Bureau's American Community~~  
9 ~~Survey.~~

10 ~~(2) "Local tax related revenue" shall mean the sum of school~~  
11 ~~district revenues for State property tax reduction allocation,~~  
12 ~~taxes levied and assessed, delinquencies on taxes levied and~~  
13 ~~assessed, revenue from local government units, and other local~~  
14 ~~revenues not specified elsewhere, as designated in the Manual of~~  
15 ~~Accounting and Financial Reporting for Pennsylvania Public~~  
16 ~~Schools.~~

17 ~~(3) "Median household income" shall mean the median~~  
18 ~~household income for school districts and the State as~~  
19 ~~determined by the most recent five year estimate of the United~~  
20 ~~States Census Bureau's American Community Survey.~~

21 ~~(4) "Median household income index" shall mean a number~~  
22 ~~calculated as follows:~~

23 ~~(i) Divide a school district's median household income by~~  
24 ~~the State median household income.~~

25 ~~(ii) Divide one (1) by the quotient in subparagraph (i).~~

26 ~~(5) "Size ratio" shall mean a number calculated as follows:~~

27 ~~(i) Divide the average of a school district's three most~~  
28 ~~recent years' average daily membership by the Statewide average~~  
29 ~~of the three most recent years' average daily membership for all~~  
30 ~~school districts.~~

1 ~~(ii) Multiply the amount in subparagraph (i) by five tenths~~  
2 ~~(0.5).~~

3 ~~(iii) Subtract the amount in subparagraph (ii) from one (1).~~

4 ~~(6) "Sparsity ratio" shall mean a number calculated as~~  
5 ~~follows:~~

6 ~~(i) Divide the average of a school district's three most~~  
7 ~~recent years' average daily membership by its total square miles~~  
8 ~~as reported in the latest decennial census as reported by United~~  
9 ~~States Census Bureau.~~

10 ~~(ii) Divide the State total average daily membership by the~~  
11 ~~State total square miles.~~

12 ~~(iii) Divide the quotient in subparagraph (i) by the~~  
13 ~~quotient in subparagraph (ii).~~

14 ~~(iv) Multiply the quotient in subparagraph (iii) by five~~  
15 ~~tenths (0.5).~~

16 ~~(v) Subtract the product in subparagraph (iv) from one (1).~~

17 ~~(7) "Sparsity/size ratio" shall mean a number calculated by~~  
18 ~~adding the following amounts:~~

19 ~~(i) The sparsity ratio multiplied by four tenths (0.4).~~

20 ~~(ii) The size ratio multiplied by six tenths (0.6).~~

21 ~~(8) "Acute poverty percentage" shall mean the number of~~  
22 ~~children six to seventeen years of age living in a household~~  
23 ~~where the ratio of income to poverty is less than one hundred~~  
24 ~~percent (100%) of the Federal poverty guidelines divided by the~~  
25 ~~total number of children six to seventeen years of age as~~  
26 ~~determined by the most recent five year estimate of the United~~  
27 ~~States Census Bureau's American Community Survey.~~

28 ~~(9) "Poverty percentage" shall mean the number of children~~  
29 ~~six to seventeen years of age living in a household where the~~  
30 ~~ratio of income to poverty is between one hundred percent (100%)~~

1 ~~and one hundred eighty four percent (184%) of the Federal~~  
2 ~~poverty guidelines divided by the total number of children six~~  
3 ~~to seventeen years of age as determined by the most recent five~~  
4 ~~year estimate of the United States Census Bureau's American~~  
5 ~~Community Survey.~~

6 ~~Section 2502.54. Transition to Student Weighted Basic~~  
7 ~~Education Funding for 2014-2015 School Year. (a) For the 2014-~~  
8 ~~2015 school year, the Commonwealth shall pay to each school~~  
9 ~~district a transition to student weighted basic education~~  
10 ~~funding allocation as follows:~~

11 ~~(1) An amount equal to the basic education funding~~  
12 ~~allocation for the 2013-2014 school year.~~

13 ~~(2) For a third class school district identified in~~  
14 ~~financial watch status under section 611 A for two or more years~~  
15 ~~that has curtailed its educational program by eliminating its~~  
16 ~~high school program and has assigned its pupils to a neighboring~~  
17 ~~school district through a written agreement with the neighboring~~  
18 ~~school district, an amount equal to three million dollars~~  
19 ~~(\$3,000,000), to be used as described in the written agreement~~  
20 ~~between the two school districts.~~

21 ~~(3) For a second class school district declared to be in~~  
22 ~~financial recovery status under section 621 A(a)(1)(i)(B), an~~  
23 ~~amount equal to twelve million dollars (\$12,000,000), to be used~~  
24 ~~to reduce the school district's structural deficit.~~

25 ~~(4) An allocation increase calculated for each school~~  
26 ~~district as follows:~~

27 ~~(i) Multiply the amount for the school district in~~  
28 ~~subsection (b) by three hundred fifty million dollars~~  
29 ~~(\$350,000,000).~~

30 ~~(ii) Divide the product in subparagraph (i) by the total~~

1 ~~amount in subsection (b) for all school districts.~~

2 ~~(iii) Calculate the amount in section 2502.53(b)(2) using~~  
3 ~~three hundred fifty million dollars (\$350,000,000) as the amount~~  
4 ~~appropriated.~~

5 ~~(iv) Determine the greater of subparagraph (ii) or (iii).~~

6 ~~(v) Multiply the amount from subparagraph (iv) by three~~  
7 ~~hundred fifty million dollars (\$350,000,000).~~

8 ~~(vi) Divide the product from subparagraph (v) by the total~~  
9 ~~of the amounts in subparagraph (iv) for all school districts.~~

10 ~~(vii) If the amount in subparagraph (vi) is less than the~~  
11 ~~amount in subparagraph (iii) multiplied by ninety percent (90%),~~  
12 ~~the school district shall receive an additional amount such that~~  
13 ~~the sum of subparagraph (vi) and this subparagraph equals ninety~~  
14 ~~percent (90%) of the amount in subparagraph (iii).~~

15 ~~(b) An allocation increase for each school district that is~~  
16 ~~the sum of the following:~~

17 ~~(1) An amount equal to the school district's original~~  
18 ~~accountability block grant allocation in 2010-2011 under section~~  
19 ~~1722 L(a)(10) of "The Fiscal Code" minus the school district's~~  
20 ~~allocation under section 1722 J(21)(i) of "The Fiscal Code."~~

21 ~~(2) An amount equal to the school district's original~~  
22 ~~educational assistance program funding allocation in 2010-2011~~  
23 ~~under section 1722 L(a)(9) of "The Fiscal Code."~~

24 ~~(3) An amount on account of tuition costs for resident~~  
25 ~~students enrolled in a charter school approved under section~~  
26 ~~1717 A or 1718 A or a cyber charter school approved under~~  
27 ~~section 1741 A calculated as follows:~~

28 ~~(i) Multiply the tuition to Pennsylvania charter schools and~~  
29 ~~cyber charter schools as reported on the school district's 2013-~~  
30 ~~2014 annual financial report by one hundred fifty million~~

1 ~~dollars (\$150,000,000).~~

2 ~~(ii) Divide the product in clause (A) by the sum of the~~  
3 ~~products in clause (A) for all school districts.~~

4 ~~(4) An amount to further provide basic education funding~~  
5 ~~calculated as follows:~~

6 ~~(i) Subtract the school district's basic education funding~~  
7 ~~allocation for the 2009-2010 school year under section 1722 L(a)~~  
8 ~~(14) of "The Fiscal Code" from the school district's basic~~  
9 ~~education allocation for the 2013-2014 school year under section~~  
10 ~~1722 J(16) of "The Fiscal Code."~~

11 ~~(ii) If the difference in subparagraph (i) is less than zero~~  
12 ~~dollars (\$0), multiply the difference in subparagraph (i) by~~  
13 ~~fifty three million three hundred eighty four thousand dollars~~  
14 ~~(\$53,384,000).~~

15 ~~(iii) Divide the product in subparagraph (ii) by the sum of~~  
16 ~~the differences in subparagraph (ii) for all school districts~~  
17 ~~where the difference is less than zero dollars (\$0).~~

18 ~~Section 2508.6. Career and Technical Education Career~~  
19 ~~Preparation. For the 2015-2016 school year, the sum of eight~~  
20 ~~million dollars (\$8,000,000) shall be distributed on a~~  
21 ~~competitive basis to school districts and area vocational~~  
22 ~~technical programs to offer college and career counseling in~~  
23 ~~middle and high schools in order to develop pathways for~~  
24 ~~students to pursue high skill careers.~~

25 ~~Section 22. Sections 2509.1 and 2509.5 of the act are~~  
26 ~~amended by adding subsections to read:~~

27 ~~Section 2509.1. Payments to Intermediate Units. \* \* \*~~

28 ~~(c.2) (1) For the 2015-2016 school year, five and four~~  
29 ~~tenths percent (5.4%) of the State special education~~  
30 ~~appropriation shall be paid to intermediate units on account of~~

1 ~~special education services.~~

2 ~~(2) Thirty five percent (35%) of the amount under paragraph~~  
3 ~~(1) shall be distributed equally among all intermediate units.~~

4 ~~(3) Sixty five percent (65%) of the amount under paragraph~~  
5 ~~(1) shall be distributed to each intermediate unit in proportion~~  
6 ~~to the number of average daily membership of the component~~  
7 ~~school districts of each intermediate unit as compared to the~~  
8 ~~Statewide total average daily membership.~~

9 \* \* \*

10 Section 2509.5. ~~Special Education Payments to School~~  
11 ~~Districts. \* \* \*~~

12 ~~(bbb) (1) During the 2015-2016 school year and each school~~  
13 ~~year thereafter, each school district shall receive an amount~~  
14 ~~equal to the amount it received during the 2013-2014 school year~~  
15 ~~under subsection (aaa) and a student based allocation equal to~~  
16 ~~the difference between the amount allocated for special~~  
17 ~~education payments for school districts and the sum of the~~  
18 ~~amounts paid under subsection (aaa) during the 2013-2014 school~~  
19 ~~year to all school districts. The student based allocation for~~  
20 ~~each school district shall be calculated as follows:~~

21 ~~(i) Multiply the sum of the school district's weighted~~  
22 ~~special education student headcount and its sparsity/size~~  
23 ~~adjustment calculated under paragraph (2) (v) by its market~~  
24 ~~value/income aid ratio and its equalized millage multiplier~~  
25 ~~calculated under paragraph (2) (vi).~~

26 ~~(ii) Multiply the product under subparagraph (i) by the~~  
27 ~~total amount available for the student based allocation.~~

28 ~~(iii) Divide the product under subparagraph (ii) by the sum~~  
29 ~~of the products under subparagraph (i) for all school districts.~~

30 ~~(2) For the purposes of paragraph (1) (i):~~



1 ~~(i) The weighted special education student headcount shall~~  
2 ~~be calculated for each school district as follows:~~

3 ~~(A) Multiply the number of special education students who~~  
4 ~~reside in the school district for which the annual expenditure~~  
5 ~~is in Category 1 by one and fifty one hundredths (1.51).~~

6 ~~(B) Multiply the number of special education students who~~  
7 ~~reside in the school district for which the annual expenditure~~  
8 ~~is in Category 2 by three and seventy seven hundredths (3.77).~~

9 ~~(C) Multiply the number of special education students who~~  
10 ~~reside in the school district for which the annual expenditure~~  
11 ~~is in Category 3 by seven and forty six hundredths (7.46).~~

12 ~~(D) Add the products under clauses (A), (B) and (C).~~

13 ~~(ii) The sparsity ratio shall be calculated for each school~~  
14 ~~district as follows:~~

15 ~~(A) Divide the school district's average daily membership~~  
16 ~~per square mile by the Commonwealth's average daily membership~~  
17 ~~per square mile.~~

18 ~~(B) Multiply the quotient under clause (A) by one half~~  
19 ~~(0.5).~~

20 ~~(C) Subtract the product under clause (B) from one (1).~~

21 ~~(iii) The size ratio for each school district shall be~~  
22 ~~calculated as follows:~~

23 ~~(A) Divide the school district's average daily membership by~~  
24 ~~the average of the average daily membership of all school~~  
25 ~~districts.~~

26 ~~(B) Multiply the quotient under clause (A) by one half~~  
27 ~~(0.5).~~

28 ~~(C) Subtract the product under clause (B) from one (1).~~

29 ~~(iv) The sparsity/size ratio for each school district shall~~  
30 ~~be calculated by adding forty percent (40%) of the sparsity~~

1 ~~ratio and sixty percent (60%) of the size ratio.~~

2 ~~(v) The sparsity/size adjustment for each school district~~  
3 ~~shall be calculated as follows:~~

4 ~~(A) For a school district with a sparsity/size ratio less~~  
5 ~~than or equal to the sparsity/size ratio that represents the~~  
6 ~~seventieth percentile of the sparsity/size ratio of all school~~  
7 ~~districts, the school district's sparsity/size adjustment shall~~  
8 ~~be zero (0).~~

9 ~~(B) For a school district with a sparsity/size ratio greater~~  
10 ~~than the sparsity/size ratio that represents the seventieth~~  
11 ~~percentile of the sparsity/size ratio of all school districts,~~  
12 ~~the school district's sparsity/size adjustment shall be~~  
13 ~~calculated as follows:~~

14 ~~(I) Divide the school district's sparsity/size ratio by the~~  
15 ~~sparsity/size ratio that represents the seventieth percentile of~~  
16 ~~the sparsity/size ratio of all school districts.~~

17 ~~(II) Subtract one (1) from the quotient under subclause (I).~~

18 ~~(III) Multiply the remainder under subclause (II) by one~~  
19 ~~half (0.5).~~

20 ~~(IV) Multiply the product under subclause (III) by the~~  
21 ~~school district's weighted special education student headcount.~~

22 ~~(vi) The equalized millage multiplier for each school~~  
23 ~~district shall be calculated as follows:~~

24 ~~(A) For a school district with an equalized millage rate~~  
25 ~~greater than or equal to the equalized millage rate that~~  
26 ~~represents the seventieth percentile of the equalized millage~~  
27 ~~rate of all school districts, the school district's equalized~~  
28 ~~millage multiplier shall be one (1).~~

29 ~~(B) For a school district with an equalized millage rate~~  
30 ~~less than the equalized millage rate that represents the~~

~~1 seventieth percentile of the equalized millage rate of all  
2 school districts, the school district's equalized millage  
3 multiplier shall be calculated by dividing the school district's  
4 equalized millage rate by the equalized millage rate that  
5 represents the seventieth percentile of the equalized millage  
6 rate of all school districts.~~

~~7 (vii) The dollar ranges for the annual expenditure amounts  
8 designated as Category 1, Category 2 and Category 3 under  
9 subparagraph (i) shall be based on the information reported to  
10 the department under section 1372(8). For the purposes of  
11 subparagraph (i), Category 3 shall be the sum of the students  
12 reported in Categories 3A and 3B under section 1372(8).~~

~~13 (viii) The data used to calculate the weighted special  
14 education student headcount under subparagraph (i) shall be  
15 based on information from the most recent year for which data is  
16 available as determined by the Department of Education. The data  
17 used to calculate the provisions under subparagraphs (ii),  
18 (iii), (iv), (v) and (vi) shall be averaged for the three most  
19 recent years for which data is available as determined by the  
20 Department of Education.~~

~~21 Section 23. Section 2509.8(e) of the act, added December 23,  
22 2003 (P.L.304, No.48), is amended and the section is amended by  
23 adding a subsection to read:~~

~~24 Section 2509.8. Extraordinary Special Education Program  
25 Expenses. \* \* \*~~

~~26 (e) For the 2003-2004 school year [and each school year  
27 thereafter] through the 2013-2014 school year, the Department of  
28 Education shall set aside one percent (1%) of the special  
29 education appropriation for extraordinary expenses incurred in  
30 providing a special education program or service to one or more~~

1 ~~students with disabilities as approved by the Secretary of~~  
2 ~~Education. Such special education program or service shall~~  
3 ~~include, but not be limited to, the transportation of students~~  
4 ~~with disabilities; services related to occupational therapy,~~  
5 ~~physical therapy, speech and language, hearing impairments or~~  
6 ~~visual impairments; or training in orientation and mobility for~~  
7 ~~children who are visually impaired or blind.~~

8 ~~(f) (i) For the 2015-2016 school year and each school year~~  
9 ~~thereafter, an amount equal to one percent (1%) of the special~~  
10 ~~education appropriation shall be distributed to school districts~~  
11 ~~and charter schools for extraordinary expenses incurred in~~  
12 ~~providing a special education program or service to one or more~~  
13 ~~students with disabilities as approved by the Secretary of~~  
14 ~~Education. Such special education program or service shall~~  
15 ~~include, but not be limited to, the transportation of students~~  
16 ~~with disabilities; services related to occupational therapy,~~  
17 ~~physical therapy, speech and language, hearing impairments or~~  
18 ~~visual impairments; or training in orientation and mobility for~~  
19 ~~children who are visually impaired or blind.~~

20 ~~(ii) Funds distributed to a school district or charter~~  
21 ~~school under this subsection shall be allocated for students for~~  
22 ~~which expenses are incurred on an annual basis that are equal to~~  
23 ~~or greater than seventy five thousand dollars (\$75,000) as~~  
24 ~~follows:~~

25 ~~(A) For a student for whom expenses are equal to or greater~~  
26 ~~than seventy five thousand dollars (\$75,000) and less than or~~  
27 ~~equal to one hundred thousand dollars (\$100,000), subtract the~~  
28 ~~State subsidies paid on behalf of the student to the school~~  
29 ~~district or, for a student enrolled in a charter school, the~~  
30 ~~charter school payment received by the charter school where the~~

~~1 child is enrolled from the expense incurred for the student and  
2 multiply the difference by the school district's or charter  
3 school's market value/personal income aid ratio.~~

~~4 (B) For a student for which expenses are greater than one  
5 hundred thousand dollars (\$100,000), subtract the State  
6 subsidies paid on behalf of the student to the school district  
7 or, for a student enrolled in a charter school, the charter  
8 school payment received by the charter school where the child is  
9 enrolled from the expense incurred for the student.~~

~~10 (iii) No school district or charter school shall in any  
11 school year receive an amount under subclause (i) which exceeds  
12 the total amount of funding available multiplied by the  
13 percentage equal to the greatest percentage of the State's  
14 special education students enrolled in a school district or  
15 charter school.~~

16 Section 24. Section 2509.14 of the act is repealed:

~~17 [Section 2509.14. Special Education Funding for Eligible  
18 Students with Disabilities in Cost Category 3. (a) For the  
19 2014-2015 school year and each school year thereafter, the  
20 Department of Education shall set aside an amount not less than  
21 one percent (1%) of the State special education appropriation  
22 above the level of the appropriation in the base year. The  
23 Department of Education shall distribute this amount as provided  
24 in subsection (b).~~

~~25 (b) For the 2014-2015 school year and each school year  
26 thereafter, each school district in this Commonwealth shall  
27 receive a pro rata share of the amount set aside under  
28 subsection (a) based upon the number of eligible students  
29 residing or enrolled in each school district and classified in  
30 Cost Category 3 during the immediately preceding school year.~~

1       ~~(c) The funding provided under this section shall be~~  
2 ~~accounted for as part of actual special education spending and~~  
3 ~~as part of the special education allocation received by a school~~  
4 ~~district, according to the definitions in section 2501. School~~  
5 ~~districts shall also account for the funding provided under this~~  
6 ~~section and the resulting services and supports for eligible~~  
7 ~~students through the special education plans, revisions, updates~~  
8 ~~and amendments required by section 2509.15.]~~

9       ~~Section 25. Section 2510.3 of the act, added July 9, 2013~~  
10 ~~(P.L.408, No.59), is amended to read:~~

11       ~~Section 2510.3. Assistance to School Districts Declared to~~  
12 ~~be in Financial Recovery Status or Identified for Financial~~  
13 ~~Watch Status. (a) For the 2013-2014 and 2015-2016 fiscal year,~~  
14 ~~the Department of Education may utilize up to four million five~~  
15 ~~hundred thousand dollars (\$4,500,000) of undistributed funds not~~  
16 ~~expended, encumbered or committed from appropriations for grants~~  
17 ~~and subsidies made to the Department of Education to assist~~  
18 ~~school districts declared to be in financial recovery status~~  
19 ~~under section 621 A or identified for financial watch status~~  
20 ~~under section 611 A. The funds shall be transferred by the~~  
21 ~~Secretary of the Budget to a restricted account as necessary to~~  
22 ~~make payments under this section and, when transferred, are~~  
23 ~~hereby appropriated to carry out the provisions of this section.~~

24       ~~(b) For the 2013-2014 fiscal year, the amount of seven~~  
25 ~~million five hundred thousand dollars (\$7,500,000) of~~  
26 ~~undistributed funds not expended, encumbered or committed from~~  
27 ~~appropriations for grants and subsidies made to the Department~~  
28 ~~of Education shall be transferred to the Financial Recovery~~  
29 ~~School District Transitional Loan Account to make loans as~~  
30 ~~provided under section 681 A.~~

1 Section 26. The act is amended by adding sections to read:

2 ~~Section 2581. Reimbursement for School Districts Not~~  
3 ~~Submitting Required Documentation. (a) For a school district~~  
4 ~~that has received Department of Education approval for~~  
5 ~~Commonwealth reimbursement of a construction or reconstruction~~  
6 ~~project, but fails to submit all additional project~~  
7 ~~documentation requested by the department within ninety (90)~~  
8 ~~days after the department's request, the department shall move:~~

9 ~~(1) the project back in the reimbursement order until such~~  
10 ~~time as the school district complies with the information~~  
11 ~~request; and~~

12 ~~(2) other projects up in the reimbursement order.~~

13 ~~(b) The Secretary of Education may grant waivers to school~~  
14 ~~districts that fail to submit requested documentation under~~  
15 ~~subsection (a) and are in the process of reconciling financial~~  
16 ~~records or are facing litigation or bond refinancing delays.~~

17 ~~Section 2582. Public School Building Lease and Debt Service~~  
18 ~~Reimbursements for Fiscal Year 2015 2016. (a) For the 2015~~  
19 ~~2016 fiscal year, the Department of Education shall utilize~~  
20 ~~undistributed funds not expended as of December 20, 2015, from~~  
21 ~~appropriations for payment on account of annual rental or~~  
22 ~~sinking fund charges on school buildings, including charter~~  
23 ~~schools, to make reimbursements for school building leases and~~  
24 ~~debt service necessary to make payments in fiscal year 2015 2016~~  
25 ~~under this article.~~

26 ~~(b) This section shall not include reimbursement for debt~~  
27 ~~service meeting the criteria for bond issuance under Article~~  
28 ~~XXV B.~~

29 ~~Section 2599.6. Ready to Learn Block Grants. (a) For the~~  
30 ~~2015 2016 school year, the Department of Education shall pay to~~

1 ~~each school entity a Ready to Learn Block Grant equal to the~~  
2 ~~amount paid during the 2014-2015 school year under section 1722-~~  
3 ~~J of the act of April 9, 1929 (P.L.343, No.176), known as "The~~  
4 ~~Fiscal Code."~~

5 ~~(b) Notwithstanding any provision of law to the contrary,~~  
6 ~~the revenues received by a school district under this section in~~  
7 ~~an amount equal to the amount received by the school district~~  
8 ~~under section 1722 J(21)(ii) of "The Fiscal Code" shall not be~~  
9 ~~included in the school district's budgeted total expenditure per~~  
10 ~~average daily membership used to calculate the amount to be paid~~  
11 ~~to a charter school entity under section 1725 A(a)(2) and (3).~~

12 ~~(c) To be eligible to receive funding under this section,~~  
13 ~~each school entity shall submit a plan for approval to the~~  
14 ~~department outlining how the funding will be used.~~

15 ~~(d) Funds distributed under this section shall be used for~~  
16 ~~the following purposes:~~

17 ~~(1) According to the provisions contained in section~~  
18 ~~2599.2(b).~~

19 ~~(2) Prekindergarten through grade 3 curriculum alignment~~  
20 ~~with the current academic standards.~~

21 ~~(3) Teacher training and professional development~~  
22 ~~opportunities aligned with the current academic standards~~  
23 ~~designed to improve early literacy and STEM education in~~  
24 ~~prekindergarten through grade 3 classes.~~

25 ~~(4) Prekindergarten through grade 3 extended learning~~  
26 ~~opportunities that allow for additional classroom instruction~~  
27 ~~before, during and after school.~~

28 ~~(5) Establishing, maintaining or expanding a quality~~  
29 ~~prekindergarten program aligned with the current academic~~  
30 ~~standards.~~



1 ~~(6) Establishing, maintaining or expanding a quality~~  
2 ~~full day kindergarten program aligned with current academic~~  
3 ~~standards.~~

4 ~~(7) Supplemental instruction and instructional coaches~~  
5 ~~for the current Keystone Exams.~~

6 ~~(8) Implementation of the Pennsylvania Comprehensive~~  
7 ~~Literacy Plan.~~

8 ~~(9) Efforts that improve student outcomes in STEM~~  
9 ~~education, including STEM training and professional~~  
10 ~~development for educators.~~

11 ~~(10) Establishing, maintaining or expanding hybrid~~  
12 ~~learning models.~~

13 ~~(11) Researching, establishing, maintaining or expanding~~  
14 ~~competency based learning models.~~

15 ~~(e) If insufficient funds are appropriated, payments shall~~  
16 ~~be made on a pro rata basis.~~

17 ~~(f) For the purpose of this section, a "school entity" means~~  
18 ~~a school district, charter school or cyber charter school.~~

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.~~

~~The authority may issue bonds for a PlanCon project in an aggregate principal amount not to exceed \$2,500,000,000, unless the authority and the department determine this amount is insufficient to carry out the purposes of this article, then the authority shall adopt a resolution to petition the Secretary of the Budget to increase the maximum aggregate principal amount. The Secretary of the Budget may approve the petition and, if approved, shall publish notice of the approval in the Pennsylvania Bulletin. The authority shall not issue any bonds for the PlanCon project, except refunding bonds, after June 30, 2025. The authority, in consultation with the department and the Office of the Budget, shall determine the principal amounts of taxable and tax exempt bonds to be issued during a fiscal year. Notwithstanding any other limitation, the authority, at the request of the department, may issue refunding bonds at any time while bonds issued for the PlanCon project are outstanding, provided that the final maturity of any series of bonds being refunded shall not be extended. Interest on bonds issued for the PlanCon project and refunding bonds authorized under this section shall be payable at such time or times as the authority shall determine in the resolution authorizing such bonds and shall otherwise be subject to the other provisions of the Financing Law. The aggregate principal amount of bonds set forth in this section shall not be subject to the debt limitations set forth in 64 Pa.C.S. § 1543 (relating to indebtedness).~~

~~Section 2504 B. Service agreement authorized.~~

~~The authority and the department may enter into any agreement or service agreement to effectuate the purposes of this article, including an agreement to secure bonds issued for a PlanCon 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 27. The act is amended by adding an article to read:

14 ARTICLE XX-B <--

15 EDUCATIONAL TAX CREDITS

16 SECTION 2001-B. SCOPE OF ARTICLE.

17 THIS ARTICLE ESTABLISHES THE EDUCATIONAL IMPROVEMENT AND  
18 OPPORTUNITY SCHOLARSHIP TAX CREDITS.

19 SECTION 2002-B. DEFINITIONS.

20 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
21 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE  
22 CONTEXT CLEARLY INDICATES OTHERWISE:

23 "APPLICABLE TAXES." ANY OF THE TAXES DUE UNDER ARTICLE III,  
24 IV, VI, VII, VIII, IX, XV OR XX OF THE TAX REFORM CODE OF 1971  
25 OR A TAX UNDER ARTICLE XVI OF THE ACT OF MAY 17, 1921 (P.L.682,  
26 NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921.

27 "APPLICANT." AN ELIGIBLE STUDENT WHO APPLIES FOR A  
28 SCHOLARSHIP.

29 "ASSESSMENT." THE PENNSYLVANIA SYSTEM OF SCHOOL ASSESSMENT  
30 TEST, THE KEYSTONE EXAM, AN EQUIVALENT LOCAL ASSESSMENT OR

1 ANOTHER TEST ESTABLISHED OR APPROVED BY THE STATE BOARD OF  
2 EDUCATION OR THE GENERAL ASSEMBLY TO MEET THE REQUIREMENTS OF  
3 SECTION 2603-B(D) (10) (I), OR REQUIRED UNDER THE EVERY STUDENT  
4 SUCCEEDS ACT (PUBLIC LAW 114-95, 129 STAT. 1802) OR ITS  
5 SUCCESSOR STATUTE OR ANOTHER TEST REQUIRED TO ACHIEVE OTHER  
6 STANDARDS ESTABLISHED BY THE DEPARTMENT OF EDUCATION FOR THE  
7 PUBLIC SCHOOL OR SCHOOL DISTRICT UNDER 22 PA. CODE § 403.3  
8 (RELATING TO SINGLE ACCOUNTABILITY SYSTEM).

9 "ATTENDANCE BOUNDARY." A GEOGRAPHIC AREA OF RESIDENCE USED  
10 BY A SCHOOL DISTRICT TO ASSIGN A STUDENT TO A PUBLIC SCHOOL.

11 "AVERAGE DAILY MEMBERSHIP." AS DEFINED IN SECTION 2501(3).

12 "BUSINESS FIRM." AN ENTITY AUTHORIZED TO DO BUSINESS IN THIS  
13 COMMONWEALTH AND SUBJECT TO TAXES IMPOSED UNDER ARTICLE III, IV,  
14 VI, VII, VIII, IX, XV OR XX OF THE TAX REFORM CODE OF 1971 OR A  
15 TAX UNDER ARTICLE XVI OF THE INSURANCE COMPANY LAW OF 1921. THE  
16 TERM INCLUDES A PASS-THROUGH ENTITY, INCLUDING A PASS-THROUGH  
17 ENTITY, THE PURPOSE OF WHICH IS THE MAKING OF CONTRIBUTIONS  
18 UNDER THIS ARTICLE AND WHOSE SHAREHOLDERS, PARTNERS OR MEMBERS  
19 ARE COMPOSED OF OWNERS OR EMPLOYES OF OTHER BUSINESS FIRMS.

20 "CAREER AND TECHNICAL SCHOOL." A PUBLIC SECONDARY SCHOOL  
21 ESTABLISHED UNDER THE PROVISIONS OF ARTICLE XVIII.

22 "CONTRIBUTION." A DONATION OF CASH, PERSONAL PROPERTY OR  
23 SERVICES, THE VALUE OF WHICH IS THE NET COST OF THE DONATION TO  
24 THE DONOR OR THE PRO RATA HOURLY WAGE, INCLUDING BENEFITS, OF  
25 THE INDIVIDUAL PERFORMING THE SERVICES.

26 "DEPARTMENT." THE DEPARTMENT OF COMMUNITY AND ECONOMIC  
27 DEVELOPMENT OF THE COMMONWEALTH.

28 "EDUCATIONAL IMPROVEMENT ORGANIZATION." A NONPROFIT ENTITY  
29 WHICH:

30 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)

1 (3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514,  
2 26 U.S.C. § 1 ET SEQ.); AND

3 (2) CONTRIBUTES AT LEAST 80% OF ITS ANNUAL RECEIPTS AS  
4 GRANTS TO A PUBLIC SCHOOL, A CHARTERED SCHOOL AS DEFINED IN  
5 SECTION 1376.1, OR A PRIVATE SCHOOL APPROVED UNDER SECTION  
6 1376, FOR INNOVATIVE EDUCATIONAL PROGRAMS.

7 FOR PURPOSES OF THIS DEFINITION, A NONPROFIT ENTITY

8 "CONTRIBUTES" ITS ANNUAL CASH RECEIPTS WHEN IT EXPENDS OR

9 OTHERWISE IRREVOCABLY ENCUMBERS THOSE FUNDS FOR EXPENDITURE

10 DURING THE THEN CURRENT FISCAL YEAR OF THE NONPROFIT ENTITY OR

11 DURING THE NEXT SUCCEEDING FISCAL YEAR OF THE NONPROFIT ENTITY.

12 A NONPROFIT ENTITY SHALL INCLUDE A SCHOOL DISTRICT FOUNDATION,

13 PUBLIC SCHOOL FOUNDATION, CHARTER SCHOOL FOUNDATION OR CYBER

14 CHARTER SCHOOL FOUNDATION.

15 "ELEMENTARY SCHOOL." A SCHOOL WHICH IS NOT A SECONDARY

16 SCHOOL.

17 "ELIGIBLE PRE-KINDERGARTEN STUDENT." A STUDENT, INCLUDING AN

18 ELIGIBLE STUDENT WITH A DISABILITY, WHO IS ENROLLED IN A PRE-

19 KINDERGARTEN PROGRAM AND IS A MEMBER OF A HOUSEHOLD WITH A

20 MAXIMUM ANNUAL HOUSEHOLD INCOME AS INCREASED BY THE APPLICABLE

21 INCOME ALLOWANCE.

22 "ELIGIBLE STUDENT." A SCHOOL-AGE STUDENT, INCLUDING AN

23 ELIGIBLE STUDENT WITH A DISABILITY, WHO IS ENROLLED IN A SCHOOL

24 AND IS A MEMBER OF A HOUSEHOLD WITH A MAXIMUM ANNUAL HOUSEHOLD

25 INCOME AS INCREASED BY THE APPLICABLE INCOME ALLOWANCE.

26 "ELIGIBLE STUDENT WITH A DISABILITY." A PRE-KINDERGARTEN

27 STUDENT OR A SCHOOL-AGE STUDENT WHO MEETS ALL OF THE FOLLOWING:

28 (1) IS ENROLLED IN A SPECIAL EDUCATION SCHOOL OR HAS

29 OTHERWISE BEEN IDENTIFIED, IN ACCORDANCE WITH 22 PA. CODE CH.

30 14 (RELATING TO SPECIAL EDUCATION SERVICES AND PROGRAMS), AS



1 A "CHILD WITH A DISABILITY," AS DEFINED IN 34 CFR § 300.8  
2 (RELATING TO CHILD WITH A DISABILITY).

3 (2) NEEDS SPECIAL EDUCATION AND RELATED SERVICES.

4 (3) IS ENROLLED IN A PRE-KINDERGARTEN PROGRAM OR IN A  
5 SCHOOL.

6 (4) IS A MEMBER OF A HOUSEHOLD WITH A HOUSEHOLD INCOME  
7 OF NOT MORE THAN THE MAXIMUM ANNUAL HOUSEHOLD INCOME.

8 "HOUSEHOLD." AN INDIVIDUAL LIVING ALONE OR WITH THE  
9 FOLLOWING: A SPOUSE, PARENT AND THEIR UNEMANCIPATED MINOR  
10 CHILDREN, OTHER UNEMANCIPATED MINOR CHILDREN WHO ARE RELATED BY  
11 BLOOD OR MARRIAGE OR OTHER ADULTS OR UNEMANCIPATED MINOR  
12 CHILDREN LIVING IN THE HOUSEHOLD WHO ARE DEPENDENT UPON THE  
13 INDIVIDUAL.

14 "HOUSEHOLD INCOME." ALL MONEY OR PROPERTY RECEIVED OF  
15 WHATEVER NATURE AND FROM WHATEVER SOURCE DERIVED. THE TERM DOES  
16 NOT INCLUDE THE FOLLOWING:

17 (1) PERIODIC PAYMENTS FOR SICKNESS AND DISABILITY OTHER  
18 THAN REGULAR WAGES RECEIVED DURING A PERIOD OF SICKNESS OR  
19 DISABILITY.

20 (2) DISABILITY, RETIREMENT OR OTHER PAYMENTS ARISING  
21 UNDER WORKERS' COMPENSATION ACTS, OCCUPATIONAL DISEASE ACTS  
22 AND SIMILAR LEGISLATION BY ANY GOVERNMENT.

23 (3) PAYMENTS COMMONLY RECOGNIZED AS OLD-AGE OR  
24 RETIREMENT BENEFITS PAID TO PERSONS RETIRED FROM SERVICE  
25 AFTER REACHING A SPECIFIC AGE OR AFTER A STATED PERIOD OF  
26 EMPLOYMENT.

27 (4) PAYMENTS COMMONLY KNOWN AS PUBLIC ASSISTANCE OR  
28 UNEMPLOYMENT COMPENSATION PAYMENTS BY A GOVERNMENTAL AGENCY.

29 (5) PAYMENTS TO REIMBURSE ACTUAL EXPENSES.

30 (6) PAYMENTS MADE BY EMPLOYERS OR LABOR UNIONS FOR

1 PROGRAMS COVERING HOSPITALIZATION, SICKNESS, DISABILITY OR  
2 DEATH, SUPPLEMENTAL UNEMPLOYMENT BENEFITS, STRIKE BENEFITS,  
3 SOCIAL SECURITY AND RETIREMENT.

4 (7) COMPENSATION RECEIVED BY UNITED STATES SERVICEMEN  
5 SERVING IN A COMBAT ZONE.

6 "INCOME ALLOWANCE." THE BASE AMOUNT OF \$15,000 FOR EACH  
7 ELIGIBLE STUDENT, ELIGIBLE PRE-KINDERGARTEN STUDENT AND  
8 DEPENDENT MEMBER OF THE HOUSEHOLD. BEGINNING JULY 1, 2014, THE  
9 DEPARTMENT SHALL ANNUALLY ADJUST THE BASE AMOUNT TO REFLECT  
10 UPWARD CHANGES IN THE CONSUMER PRICE INDEX FOR ALL URBAN  
11 CONSUMERS FOR THE PENNSYLVANIA, NEW JERSEY, DELAWARE AND  
12 MARYLAND AREA FOR THE PRECEDING 12 MONTHS. THE DEPARTMENT SHALL  
13 IMMEDIATELY SUBMIT THE ADJUSTED AMOUNTS TO THE LEGISLATIVE  
14 REFERENCE BUREAU FOR PUBLICATION AS A NOTICE IN THE PENNSYLVANIA  
15 BULLETIN.

16 "INNOVATIVE EDUCATIONAL PROGRAM." AN ADVANCED ACADEMIC OR  
17 SIMILAR PROGRAM THAT IS NOT PART OF THE REGULAR ACADEMIC PROGRAM  
18 OF A PUBLIC SCHOOL BUT THAT ENHANCES THE CURRICULUM OR ACADEMIC  
19 PROGRAM OF THE PUBLIC SCHOOL, CHARTERED SCHOOL OR PRIVATE SCHOOL  
20 OR PROVIDES PRE-KINDERGARTEN PROGRAMS TO PUBLIC SCHOOL STUDENTS,  
21 STUDENTS OF A CHARTERED SCHOOL OR STUDENTS OF A PRIVATE SCHOOL.  
22 FOR THE PURPOSES OF THIS DEFINITION, A CHARTERED SCHOOL SHALL  
23 MEAN A CHARTERED SCHOOL AS DEFINED IN SECTION 1376.1, AND A  
24 PRIVATE SCHOOL SHALL MEAN A PRIVATE SCHOOL APPROVED UNDER  
25 SECTION 1376.

26 "KINDERGARTEN." A ONE-YEAR FORMAL EDUCATIONAL PROGRAM THAT  
27 OCCURS DURING THE SCHOOL YEAR IMMEDIATELY PRIOR TO FIRST GRADE.  
28 THE TERM INCLUDES A PART-TIME AND A FULL-TIME PROGRAM.

29 "LOW-ACHIEVING SCHOOL." A PUBLIC SCHOOL THAT RANKED IN THE  
30 LOWEST 15% OF THE SCHOOL'S DESIGNATION AS AN ELEMENTARY SCHOOL

1 OR A SECONDARY SCHOOL BASED ON COMBINED MATHEMATICS AND READING  
2 SCORES FROM THE ANNUAL ASSESSMENT ADMINISTERED IN THE PREVIOUS  
3 SCHOOL YEAR AND FOR WHICH THE DEPARTMENT OF EDUCATION HAS POSTED  
4 RESULTS ON THE DEPARTMENT OF EDUCATION'S PUBLICLY ACCESSIBLE  
5 INTERNET WEBSITE. THE TERM DOES NOT INCLUDE A CHARTER SCHOOL,  
6 CYBER CHARTER SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL.

7 "MAXIMUM ANNUAL HOUSEHOLD INCOME."

8 (1) SUBJECT TO ADJUSTMENT UNDER PARAGRAPHS (2) AND (3),  
9 THE AMOUNT OF \$75,000, PLUS THE APPLICABLE INCOME ALLOWANCE.

10 (2) WITH RESPECT TO AN ELIGIBLE STUDENT WITH A  
11 DISABILITY, AS CALCULATED BY MULTIPLYING:

12 (I) THE APPLICABLE AMOUNT UNDER PARAGRAPH (1); BY

13 (II) THE APPLICABLE SUPPORT LEVEL FACTOR ACCORDING  
14 TO THE FOLLOWING TABLE:

<u>SUPPORT LEVEL</u>	<u>SUPPORT LEVEL FACTOR</u>
<u>1</u>	<u>1.50</u>
<u>2</u>	<u>2.993</u>

18 (3) BEGINNING JULY 1, 2014, THE DEPARTMENT SHALL  
19 ANNUALLY ADJUST THE INCOME AMOUNTS UNDER PARAGRAPHS (1) AND  
20 (2) TO REFLECT ANY UPWARD CHANGES IN THE CONSUMER PRICE INDEX  
21 FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW JERSEY,  
22 DELAWARE AND MARYLAND AREA IN THE PRECEDING 12 MONTHS AND  
23 SHALL IMMEDIATELY SUBMIT THE ADJUSTED AMOUNTS TO THE  
24 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION AS A NOTICE IN  
25 THE PENNSYLVANIA BULLETIN.

26 "NONPUBLIC SCHOOL." A SCHOOL WHICH IS A NONPROFIT  
27 ORGANIZATION AND WHICH IS LOCATED IN THIS COMMONWEALTH. THE TERM  
28 DOES NOT INCLUDE A PUBLIC SCHOOL.

29 "OPPORTUNITY SCHOLARSHIP." AN AWARD GIVEN TO AN APPLICANT TO  
30 PAY TUITION AND SCHOOL-RELATED FEES NECESSARY TO ATTEND A

1 PARTICIPATING NONPUBLIC SCHOOL OR A PARTICIPATING PUBLIC SCHOOL  
2 LOCATED IN A SCHOOL DISTRICT WHICH IS NOT THE RECIPIENT'S SCHOOL  
3 DISTRICT OF RESIDENCE.

4 "OPPORTUNITY SCHOLARSHIP ORGANIZATION." A NONPROFIT ENTITY  
5 WHICH:

6 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)  
7 (3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514,  
8 26 U.S.C. § 1 ET SEQ.); AND

9 (2) CONTRIBUTES AT LEAST 80% OF THE ENTITY'S ANNUAL CASH  
10 RECEIPTS TO AN OPPORTUNITY SCHOLARSHIP PROGRAM.

11 FOR THE PURPOSES OF THIS DEFINITION, A NONPROFIT ENTITY  
12 CONTRIBUTES THE ENTITY'S CASH RECEIPTS TO AN OPPORTUNITY  
13 SCHOLARSHIP PROGRAM WHEN THE ENTITY EXPENDS OR OTHERWISE  
14 IRREVOCABLY ENCUMBERS THOSE FUNDS FOR DISTRIBUTION DURING THE  
15 THEN-CURRENT FISCAL YEAR OF THE NONPROFIT ENTITY OR DURING THE  
16 NEXT SUCCEEDING FISCAL YEAR OF THE NONPROFIT ENTITY.

17 "OPPORTUNITY SCHOLARSHIP PROGRAM." A PROGRAM TO PROVIDE  
18 OPPORTUNITY SCHOLARSHIPS TO ELIGIBLE STUDENTS WHO RESIDE WITHIN  
19 THE ATTENDANCE AREA OF A LOW-ACHIEVING SCHOOL.

20 "PARENT." AN INDIVIDUAL WHO:

21 (1) IS A RESIDENT OF THIS COMMONWEALTH; AND

22 (2) EITHER:

23 (I) HAS LEGAL CUSTODY OR GUARDIANSHIP OF A STUDENT;

24 OR

25 (II) KEEPS IN THE INDIVIDUAL'S HOME A STUDENT AND  
26 SUPPORTS THE STUDENT GRATIS AS IF THE STUDENT WERE A  
27 LINEAL DESCENDANT OF THE INDIVIDUAL.

28 "PARTICIPATING NONPUBLIC SCHOOL." A NONPUBLIC SCHOOL WHICH  
29 NOTIFIES THE DEPARTMENT OF EDUCATION UNDER SECTION 2011-B THAT  
30 THE SCHOOL WISHES TO ACCEPT OPPORTUNITY SCHOLARSHIP RECIPIENTS.

1 "PARTICIPATING PUBLIC SCHOOL." A PUBLIC SCHOOL IN A SCHOOL  
2 DISTRICT WHICH NOTIFIES THE DEPARTMENT OF EDUCATION UNDER  
3 SECTION 2011-B THAT THE SCHOOL WISHES TO ACCEPT OPPORTUNITY  
4 SCHOLARSHIP RECIPIENTS. THE TERM DOES NOT INCLUDE A LOW-  
5 ACHIEVING SCHOOL.

6 "PASS-THROUGH ENTITY." A PARTNERSHIP AS DEFINED IN SECTION  
7 301(N.0) OF ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX  
8 REFORM CODE OF 1971, A SINGLE-MEMBER LIMITED LIABILITY COMPANY  
9 TREATED AS A DISREGARDED ENTITY FOR FEDERAL INCOME TAX PURPOSES  
10 OR A PENNSYLVANIA S CORPORATION AS DEFINED IN SECTION 301(N.1)  
11 OF THE TAX REFORM CODE. THE TERM INCLUDES A PASS-THROUGH ENTITY  
12 THAT OWNS AN INTEREST IN A PASS-THROUGH ENTITY.

13 "PRE-KINDERGARTEN PROGRAM." A PROGRAM OF INSTRUCTION FOR  
14 THREE-YEAR-OLD, FOUR-YEAR-OLD, FIVE-YEAR-OLD OR SIX-YEAR-OLD  
15 STUDENTS, OTHER THAN A KINDERGARTEN, THAT UTILIZES A CURRICULUM  
16 ALIGNED WITH THE CURRICULUM OF THE SCHOOL WITH WHICH IT IS  
17 AFFILIATED AND WHICH PROVIDES ONE OF THE FOLLOWING:

18 (1) A MINIMUM OF TWO HOURS OF INSTRUCTIONAL AND  
19 DEVELOPMENTAL ACTIVITIES PER DAY AT LEAST 60 DAYS PER SCHOOL  
20 YEAR.

21 (2) A MINIMUM OF TWO HOURS OF INSTRUCTIONAL AND  
22 DEVELOPMENTAL ACTIVITIES PER DAY AT LEAST 20 DAYS OVER THE  
23 SUMMER RECESS.

24 "PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATION." A NONPROFIT  
25 ENTITY WHICH:

26 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)  
27 (3) OF THE INTERNAL REVENUE CODE OF 1986 OR IS OPERATED AS A  
28 SEPARATE SEGREGATED FUND BY A SCHOLARSHIP ORGANIZATION THAT  
29 HAS BEEN QUALIFIED UNDER SECTION 2003-B; AND

30 (2) CONTRIBUTES AT LEAST 80% OF ITS ANNUAL CASH RECEIPTS

1 TO A PRE-KINDERGARTEN SCHOLARSHIP PROGRAM BY EXPENDING OR  
2 OTHERWISE IRREVOCABLY ENCUMBERING THOSE FUNDS FOR  
3 DISTRIBUTION DURING THE THEN CURRENT FISCAL YEAR OF THE  
4 ORGANIZATION OR DURING THE NEXT SUCCEEDING FISCAL YEAR OF THE  
5 ORGANIZATION.

6 "PRE-KINDERGARTEN SCHOLARSHIP PROGRAM." A PROGRAM TO PROVIDE  
7 TUITION TO ELIGIBLE PRE-KINDERGARTEN STUDENTS TO ATTEND A PRE-  
8 KINDERGARTEN PROGRAM OPERATED BY OR IN CONJUNCTION WITH A SCHOOL  
9 LOCATED IN THIS COMMONWEALTH AND THAT INCLUDES AN APPLICATION  
10 AND REVIEW PROCESS FOR THE PURPOSE OF MAKING AWARDS TO ELIGIBLE  
11 PRE-KINDERGARTEN STUDENTS AND AWARDS SCHOLARSHIPS TO ELIGIBLE  
12 PRE-KINDERGARTEN STUDENTS WITHOUT LIMITING AVAILABILITY TO ONLY  
13 STUDENTS OF ONE SCHOOL OR ONE BUILDING WITHIN A SCHOOL DISTRICT  
14 OR NONPUBLIC SCHOOL ENTITY.

15 "PUBLIC SCHOOL." A PUBLIC PRE-KINDERGARTEN WHERE COMPULSORY  
16 ATTENDANCE REQUIREMENTS DO NOT APPLY OR A PUBLIC KINDERGARTEN,  
17 ELEMENTARY SCHOOL, SECONDARY SCHOOL OR CAREER AND TECHNICAL  
18 SCHOOL AT WHICH THE COMPULSORY ATTENDANCE REQUIREMENTS OF THIS  
19 COMMONWEALTH MAY BE MET AND WHICH MEETS THE APPLICABLE  
20 REQUIREMENTS OF TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (PUBLIC  
21 LAW 88-352, 78 STAT. 241).

22 "RECIPIENT." AN APPLICANT WHO RECEIVES A SCHOLARSHIP.

23 "SCHOLARSHIP." AN AWARD UNDER A SCHOLARSHIP PROGRAM TO PAY  
24 TUITION AND SCHOOL-RELATED FEES TO ATTEND A SCHOOL.

25 "SCHOLARSHIP ORGANIZATION." A NONPROFIT ENTITY WHICH:

26 (1) IS EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C)  
27 (3) OF THE INTERNAL REVENUE CODE OF 1986; AND

28 (2) CONTRIBUTES AT LEAST 80% OF ITS ANNUAL CASH RECEIPTS  
29 TO A SCHOLARSHIP PROGRAM.

30 FOR PURPOSES OF THIS DEFINITION, A NONPROFIT ENTITY

1 "CONTRIBUTES" ITS ANNUAL CASH RECEIPTS TO A SCHOLARSHIP PROGRAM  
2 WHEN IT EXPENDS OR OTHERWISE IRREVOCABLY ENCUMBERS THOSE FUNDS  
3 FOR DISTRIBUTION DURING THE THEN CURRENT FISCAL YEAR OF THE  
4 NONPROFIT ENTITY OR DURING THE NEXT SUCCEEDING FISCAL YEAR OF  
5 THE NONPROFIT ENTITY.

6 "SCHOLARSHIP PROGRAM." A PROGRAM TO PROVIDE TUITION AND  
7 SCHOOL-RELATED FEES TO ELIGIBLE STUDENTS TO ATTEND A SCHOOL  
8 LOCATED IN THIS COMMONWEALTH. A SCHOLARSHIP PROGRAM MUST INCLUDE  
9 AN APPLICATION AND REVIEW PROCESS FOR THE PURPOSE OF MAKING  
10 AWARDS TO ELIGIBLE STUDENTS. THE AWARD OF SCHOLARSHIPS TO  
11 ELIGIBLE STUDENTS SHALL BE MADE WITHOUT LIMITING AVAILABILITY TO  
12 ONLY STUDENTS OF ONE SCHOOL OR ONE BUILDING WITHIN A SCHOOL  
13 DISTRICT OR NONPUBLIC SCHOOL ENTITY.

14 "SCHOOL." A PUBLIC OR NONPUBLIC PRE-KINDERGARTEN,  
15 KINDERGARTEN, ELEMENTARY SCHOOL OR SECONDARY SCHOOL AT WHICH THE  
16 COMPULSORY ATTENDANCE REQUIREMENTS OF THE COMMONWEALTH MAY BE  
17 MET AND WHICH MEETS THE APPLICABLE REQUIREMENTS OF TITLE VI OF  
18 THE CIVIL RIGHTS ACT OF 1964.

19 "SCHOOL AGE." CHILDREN FROM THE EARLIEST ADMISSION AGE TO A  
20 SCHOOL'S PRE-KINDERGARTEN OR KINDERGARTEN PROGRAM OR, WHEN NO  
21 PRE-KINDERGARTEN OR KINDERGARTEN PROGRAM IS PROVIDED, THE  
22 SCHOOL'S EARLIEST ADMISSION AGE FOR BEGINNERS, UNTIL THE END OF  
23 THE SCHOOL YEAR THE STUDENT ATTAINS 21 YEARS OF AGE OR  
24 GRADUATION FROM HIGH SCHOOL, WHICHEVER OCCURS FIRST.

25 "SCHOOL DISTRICT OF RESIDENCE." THE SCHOOL DISTRICT IN WHICH  
26 THE STUDENT'S PRIMARY DOMICILE IS LOCATED.

27 "SCHOOL-RELATED FEES." FEES CHARGED BY A SCHOOL TO ALL  
28 STUDENTS FOR BOOKS, INSTRUCTIONAL MATERIALS, TECHNOLOGY  
29 EQUIPMENT AND SERVICES, UNIFORMS AND ACTIVITIES.

30 "SECONDARY SCHOOL." A SCHOOL WITH AN ELEVENTH GRADE.

1 "SPECIAL EDUCATION SCHOOL." A SCHOOL OR PROGRAM WITHIN A  
2 SCHOOL THAT IS DESIGNATED SPECIFICALLY AND EXCLUSIVELY FOR  
3 STUDENTS WITH ANY OF THE DISABILITIES LISTED IN 34 CFR § 300.8  
4 AND MEETS ONE OF THE FOLLOWING:

5 (1) IS LICENSED UNDER THE ACT OF JANUARY 28, 1988  
6 (P.L.24, NO.11), KNOWN AS THE PRIVATE ACADEMIC SCHOOLS ACT.

7 (2) IS ACCREDITED BY AN ACCREDITING ASSOCIATION APPROVED  
8 BY THE STATE BOARD OF EDUCATION.

9 (3) IS A SCHOOL FOR THE BLIND OR DEAF RECEIVING  
10 COMMONWEALTH APPROPRIATIONS.

11 (4) IS OPERATED BY OR UNDER THE AUTHORITY OF A BONA FIDE  
12 RELIGIOUS INSTITUTION OR BY THE COMMONWEALTH OR ANY POLITICAL  
13 SUBDIVISION THEREOF.

14 "STUDENT." AN INDIVIDUAL WHO MEETS ALL OF THE FOLLOWING:

15 (1) IS SCHOOL AGE.

16 (2) IS A RESIDENT OF THIS COMMONWEALTH.

17 (3) ATTENDS OR IS ABOUT TO ATTEND A SCHOOL.

18 "SUPPORT LEVEL." THE LEVEL OF SUPPORT NEEDED BY AN ELIGIBLE  
19 STUDENT WITH A DISABILITY, AS SET FORTH IN THE FOLLOWING MATRIX:

20 SUPPORT LEVEL 1 - THE STUDENT IS NOT ENROLLED IN A  
21 SPECIAL EDUCATION SCHOOL.

22 SUPPORT LEVEL 2 - THE STUDENT IS ENROLLED AS A STUDENT IN  
23 A SPECIAL EDUCATION SCHOOL.

24 "TAX REFORM CODE OF 1971." THE ACT OF MARCH 4, 1971 (P.L.6,  
25 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971.

26 SECTION 2003-B. QUALIFICATION AND APPLICATION BY ORGANIZATIONS.

27 (A) ESTABLISHMENT.--IN ACCORDANCE WITH SECTION 14 OF ARTICLE  
28 III OF THE CONSTITUTION OF PENNSYLVANIA, THE EDUCATIONAL  
29 IMPROVEMENT AND OPPORTUNITY SCHOLARSHIP TAX CREDIT PROGRAMS ARE  
30 HEREBY ESTABLISHED TO ENHANCE THE EDUCATIONAL OPPORTUNITIES



1 AVAILABLE TO ALL STUDENTS IN THIS COMMONWEALTH.

2 (B) INFORMATION.--IN ORDER TO QUALIFY UNDER THIS ARTICLE, AN  
3 EDUCATIONAL IMPROVEMENT ORGANIZATION, A SCHOLARSHIP  
4 ORGANIZATION, A PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATION OR AN  
5 OPPORTUNITY SCHOLARSHIP ORGANIZATION MUST SUBMIT INFORMATION TO  
6 THE DEPARTMENT THAT ENABLES THE DEPARTMENT TO CONFIRM THAT THE  
7 ORGANIZATION IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF  
8 THE INTERNAL REVENUE CODE OF 1986.

9 (C) SCHOLARSHIP ORGANIZATIONS AND PRE-KINDERGARTEN  
10 SCHOLARSHIP ORGANIZATIONS.--A SCHOLARSHIP ORGANIZATION OR PRE-  
11 KINDERGARTEN SCHOLARSHIP ORGANIZATION MUST CERTIFY TO THE  
12 DEPARTMENT THAT THE ORGANIZATION IS ELIGIBLE TO PARTICIPATE IN  
13 THE EDUCATIONAL IMPROVEMENT TAX CREDIT PROGRAM ESTABLISHED UNDER  
14 THIS ARTICLE AND MUST AGREE TO ANNUALLY REPORT THE FOLLOWING  
15 INFORMATION TO THE DEPARTMENT BY SEPTEMBER 1 OF EACH YEAR:

16 (1) (I) THE NUMBER OF SCHOLARSHIPS AWARDED DURING THE  
17 IMMEDIATELY PRECEDING SCHOOL YEAR TO ELIGIBLE PRE-  
18 KINDERGARTEN STUDENTS.

19 (II) THE TOTAL AND AVERAGE AMOUNTS OF THE  
20 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING  
21 SCHOOL YEAR TO ELIGIBLE PRE-KINDERGARTEN STUDENTS.

22 (III) THE NUMBER OF SCHOLARSHIPS AWARDED DURING THE  
23 IMMEDIATELY PRECEDING SCHOOL YEAR TO ELIGIBLE STUDENTS IN  
24 GRADES KINDERGARTEN THROUGH EIGHT.

25 (IV) THE TOTAL AND AVERAGE AMOUNTS OF THE  
26 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING  
27 SCHOOL YEAR TO ELIGIBLE STUDENTS IN GRADES KINDERGARTEN  
28 THROUGH EIGHT.

29 (V) THE NUMBER OF SCHOLARSHIPS AWARDED DURING THE  
30 IMMEDIATELY PRECEDING SCHOOL YEAR TO ELIGIBLE STUDENTS IN

1 GRADES NINE THROUGH 12.

2 (VI) THE TOTAL AND AVERAGE AMOUNTS OF THE  
3 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING  
4 SCHOOL YEAR TO ELIGIBLE STUDENTS IN GRADES NINE THROUGH  
5 12.

6 (VII) WHERE THE SCHOLARSHIP ORGANIZATION OR PRE-  
7 KINDERGARTEN SCHOLARSHIP ORGANIZATION COLLECTS  
8 INFORMATION ON A COUNTY-BY-COUNTY BASIS, THE TOTAL NUMBER  
9 AND THE TOTAL AMOUNT OF SCHOLARSHIPS AWARDED DURING THE  
10 IMMEDIATELY PRECEDING SCHOOL YEAR TO RESIDENTS OF EACH  
11 COUNTY IN WHICH THE SCHOLARSHIP ORGANIZATION OR PRE-  
12 KINDERGARTEN SCHOLARSHIP ORGANIZATION AWARDED  
13 SCHOLARSHIPS.

14 (VIII) THE TOTAL NUMBER OF SCHOLARSHIP APPLICATIONS  
15 PROCESSED AND THE AMOUNTS OF ANY APPLICATION FEES  
16 CHARGED, EITHER PER SCHOLARSHIP APPLICATION OR IN THE  
17 AGGREGATE THROUGH A THIRD-PARTY PROCESSOR.

18 (IX) THE ORGANIZATION'S FEDERAL FORM 990 OR OTHER  
19 FEDERAL FORM INDICATING THE TAX STATUS OF THE  
20 ORGANIZATION FOR FEDERAL TAX PURPOSES, IF ANY, AND A COPY  
21 OF A COMPILATION, REVIEW OR AUDIT OF THE ORGANIZATION'S  
22 FINANCIAL STATEMENTS CONDUCTED BY A CERTIFIED PUBLIC  
23 ACCOUNTING FIRM.

24 (2) THE INFORMATION REQUIRED UNDER PARAGRAPH (1) SHALL  
25 BE SUBMITTED ON A FORM PROVIDED BY THE DEPARTMENT. NO LATER  
26 THAN MAY 1 OF EACH YEAR, THE DEPARTMENT SHALL ANNUALLY  
27 DISTRIBUTE SUCH SAMPLE FORMS, TOGETHER WITH THE FORMS ON  
28 WHICH THE REPORTS ARE REQUIRED TO BE MADE, TO EACH LISTED  
29 SCHOLARSHIP ORGANIZATION AND PRE-KINDERGARTEN SCHOLARSHIP  
30 ORGANIZATION.

1           (3) THE DEPARTMENT MAY NOT REQUIRE ANY OTHER INFORMATION  
2 TO BE PROVIDED BY SCHOLARSHIP ORGANIZATIONS OR PRE-  
3 KINDERGARTEN SCHOLARSHIP ORGANIZATIONS, EXCEPT AS EXPRESSLY  
4 AUTHORIZED IN THIS ARTICLE.

5 (D) EDUCATIONAL IMPROVEMENT ORGANIZATION.--

6           (1) AN APPLICATION SUBMITTED BY AN EDUCATIONAL  
7 IMPROVEMENT ORGANIZATION MUST DESCRIBE ITS PROPOSED  
8 INNOVATIVE EDUCATIONAL PROGRAM OR PROGRAMS IN A FORM  
9 PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT SHALL CONSULT  
10 WITH THE DEPARTMENT OF EDUCATION AS NECESSARY. THE DEPARTMENT  
11 SHALL REVIEW AND APPROVE OR DISAPPROVE THE APPLICATION. IN  
12 ORDER TO BE ELIGIBLE TO PARTICIPATE IN THE EDUCATIONAL  
13 IMPROVEMENT TAX CREDIT PROGRAM ESTABLISHED UNDER THIS  
14 ARTICLE, AN EDUCATIONAL IMPROVEMENT ORGANIZATION MUST AGREE  
15 TO ANNUALLY REPORT THE FOLLOWING INFORMATION TO THE  
16 DEPARTMENT BY SEPTEMBER 1 OF EACH YEAR:

17           (I) THE NAME OF THE INNOVATIVE EDUCATIONAL PROGRAM  
18 OR PROGRAMS AND THE TOTAL AMOUNT OF THE GRANT OR GRANTS  
19 MADE TO THOSE PROGRAMS DURING THE IMMEDIATELY PRECEDING  
20 SCHOOL YEAR.

21           (II) A DESCRIPTION OF HOW EACH GRANT WAS UTILIZED  
22 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR AND A  
23 DESCRIPTION OF ANY DEMONSTRATED OR EXPECTED INNOVATIVE  
24 EDUCATIONAL IMPROVEMENTS.

25           (III) THE NAMES OF THE PUBLIC SCHOOLS AND SCHOOL  
26 DISTRICTS WHERE INNOVATIVE EDUCATIONAL PROGRAMS THAT  
27 RECEIVED GRANTS DURING THE IMMEDIATELY PRECEDING SCHOOL  
28 YEAR WERE IMPLEMENTED.

29           (IV) WHERE THE EDUCATIONAL IMPROVEMENT ORGANIZATION  
30 COLLECTS INFORMATION ON A COUNTY-BY-COUNTY BASIS, THE

1 TOTAL NUMBER AND THE TOTAL AMOUNT OF GRANTS MADE DURING  
2 THE IMMEDIATELY PRECEDING SCHOOL YEAR FOR PROGRAMS AT  
3 PUBLIC SCHOOLS IN EACH COUNTY IN WHICH THE EDUCATIONAL  
4 IMPROVEMENT ORGANIZATION MADE GRANTS.

5 (V) THE ORGANIZATION'S FEDERAL FORM 990 OR OTHER  
6 FEDERAL FORM INDICATING THE TAX STATUS OF THE  
7 ORGANIZATION FOR FEDERAL TAX PURPOSES, IF ANY, AND A COPY  
8 OF A COMPILATION, REVIEW OR AUDIT OF THE ORGANIZATION'S  
9 FINANCIAL STATEMENTS CONDUCTED BY A CERTIFIED PUBLIC  
10 ACCOUNTING FIRM.

11 (2) THE INFORMATION REQUIRED UNDER PARAGRAPH (1) SHALL  
12 BE SUBMITTED ON A FORM PROVIDED BY THE DEPARTMENT. NO LATER  
13 THAN MAY 1 OF EACH YEAR, THE DEPARTMENT SHALL ANNUALLY  
14 DISTRIBUTE SUCH SAMPLE FORMS, TOGETHER WITH THE FORMS ON  
15 WHICH THE REPORTS ARE REQUIRED TO BE MADE, TO EACH LISTED  
16 EDUCATIONAL IMPROVEMENT ORGANIZATION.

17 (3) THE DEPARTMENT MAY NOT REQUIRE ANY OTHER INFORMATION  
18 TO BE PROVIDED BY EDUCATIONAL IMPROVEMENT ORGANIZATIONS,  
19 EXCEPT AS EXPRESSLY AUTHORIZED IN THIS ARTICLE.

20 (D.1) OPPORTUNITY SCHOLARSHIP ORGANIZATIONS.--

21 (1) AN OPPORTUNITY SCHOLARSHIP ORGANIZATION MUST ENHANCE  
22 THE EDUCATIONAL OPPORTUNITIES AVAILABLE TO STUDENTS IN THIS  
23 COMMONWEALTH BY PROVIDING OPPORTUNITY SCHOLARSHIPS TO  
24 ELIGIBLE STUDENTS WHO RESIDE WITHIN THE ATTENDANCE BOUNDARY  
25 OF LOW-ACHIEVING SCHOOLS TO ATTEND SCHOOLS WHICH ARE NOT LOW-  
26 ACHIEVING SCHOOLS AND WHICH ARE NOT PUBLIC SCHOOLS WITHIN THE  
27 ELIGIBLE STUDENT'S SCHOOL DISTRICT OF RESIDENCE. BY FEBRUARY  
28 15 OF EACH YEAR, AN OPPORTUNITY SCHOLARSHIP ORGANIZATION MUST  
29 CERTIFY TO THE DEPARTMENT THAT THE ORGANIZATION IS ELIGIBLE  
30 TO PARTICIPATE IN THE OPPORTUNITY SCHOLARSHIP TAX CREDIT

1 PROGRAM.

2 (2) AN OPPORTUNITY SCHOLARSHIP ORGANIZATION MUST AGREE  
3 TO REPORT THE FOLLOWING INFORMATION ON A FORM PROVIDED BY THE  
4 DEPARTMENT BY SEPTEMBER 1 OF EACH YEAR:

5 (I) THE TOTAL NUMBER OF APPLICATIONS FOR OPPORTUNITY  
6 SCHOLARSHIPS RECEIVED DURING THE IMMEDIATELY PRECEDING  
7 SCHOOL YEAR FROM ELIGIBLE STUDENTS IN GRADES KINDERGARTEN  
8 THROUGH EIGHT.

9 (II) THE NUMBER OF OPPORTUNITY SCHOLARSHIPS AWARDED  
10 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR TO ELIGIBLE  
11 STUDENTS IN GRADES KINDERGARTEN THROUGH EIGHT.

12 (III) THE TOTAL AND AVERAGE AMOUNTS OF THE  
13 OPPORTUNITY SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY  
14 PRECEDING SCHOOL YEAR TO ELIGIBLE STUDENTS IN GRADES  
15 KINDERGARTEN THROUGH EIGHT.

16 (IV) THE TOTAL NUMBER OF APPLICATIONS FOR  
17 OPPORTUNITY SCHOLARSHIPS RECEIVED DURING THE IMMEDIATELY  
18 PRECEDING SCHOOL YEAR FROM ELIGIBLE STUDENTS IN GRADES  
19 NINE THROUGH 12.

20 (V) THE NUMBER OF OPPORTUNITY SCHOLARSHIPS AWARDED  
21 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR TO ELIGIBLE  
22 STUDENTS IN GRADES NINE THROUGH 12.

23 (VI) THE TOTAL AND AVERAGE AMOUNTS OF THE  
24 OPPORTUNITY SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY  
25 PRECEDING SCHOOL YEAR TO ELIGIBLE STUDENTS IN GRADES NINE  
26 THROUGH 12.

27 (VII) WHERE THE OPPORTUNITY SCHOLARSHIP ORGANIZATION  
28 COLLECTS INFORMATION ON A COUNTY-BY-COUNTY BASIS, THE  
29 TOTAL NUMBER AND THE TOTAL AMOUNT OF OPPORTUNITY  
30 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING

1 SCHOOL YEAR TO RESIDENTS OF EACH COUNTY IN WHICH THE  
2 OPPORTUNITY SCHOLARSHIP ORGANIZATION AWARDED OPPORTUNITY  
3 SCHOLARSHIPS.

4 (VIII) THE NUMBER OF OPPORTUNITY SCHOLARSHIPS  
5 AWARDED DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR TO  
6 APPLICANTS WITH A HOUSEHOLD INCOME THAT DOES NOT EXCEED  
7 185% OF THE FEDERAL POVERTY LEVEL.

8 (IX) THE TOTAL AND AVERAGE AMOUNTS OF OPPORTUNITY  
9 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING  
10 SCHOOL YEAR TO APPLICANTS WITH A HOUSEHOLD INCOME THAT  
11 DOES NOT EXCEED 185% OF THE FEDERAL POVERTY LEVEL.

12 (X) THE NUMBER OF OPPORTUNITY SCHOLARSHIPS AWARDED  
13 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR TO  
14 APPLICANTS WITH A HOUSEHOLD INCOME THAT DOES NOT EXCEED  
15 185% OF THE FEDERAL POVERTY LEVEL AND WHO RESIDE WITHIN A  
16 FIRST CLASS SCHOOL DISTRICT.

17 (XI) THE TOTAL AND AVERAGE AMOUNTS OF OPPORTUNITY  
18 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING  
19 SCHOOL YEAR TO APPLICANTS WITH A HOUSEHOLD INCOME THAT  
20 DOES NOT EXCEED 185% OF THE FEDERAL POVERTY LEVEL AND WHO  
21 RESIDE WITHIN A FIRST CLASS SCHOOL DISTRICT.

22 (XII) THE NUMBER OF OPPORTUNITY SCHOLARSHIPS AWARDED  
23 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR TO  
24 APPLICANTS WITH A HOUSEHOLD INCOME THAT DOES NOT EXCEED  
25 185% OF THE FEDERAL POVERTY LEVEL AND WHO RESIDE WITHIN A  
26 SCHOOL DISTRICT THAT WAS DESIGNATED AS A FINANCIAL  
27 RECOVERY SCHOOL DISTRICT UNDER ARTICLE VI-A AT THE TIME  
28 OF THE AWARD.

29 (XIII) THE TOTAL AND AVERAGE AMOUNTS OF OPPORTUNITY  
30 SCHOLARSHIPS AWARDED DURING THE IMMEDIATELY PRECEDING

1 SCHOOL YEAR TO APPLICANTS WITH A HOUSEHOLD INCOME THAT  
2 DOES NOT EXCEED 185% OF THE FEDERAL POVERTY LEVEL AND WHO  
3 RESIDE WITHIN A SCHOOL DISTRICT THAT WAS DESIGNATED AS A  
4 FINANCIAL RECOVERY SCHOOL DISTRICT UNDER ARTICLE VI-A AT  
5 THE TIME OF THE AWARD.

6 (XIV) THE TOTAL NUMBER OF OPPORTUNITY SCHOLARSHIP  
7 APPLICATIONS PROCESSED AND THE AMOUNTS OF ANY APPLICATION  
8 FEEES CHARGED EITHER PER OPPORTUNITY SCHOLARSHIP  
9 APPLICATION OR IN THE AGGREGATE THROUGH A THIRD-PARTY  
10 PROCESSOR.

11 (XV) THE OPPORTUNITY SCHOLARSHIP ORGANIZATION'S  
12 FEDERAL FORM 990 OR OTHER FEDERAL FORM INDICATING THE TAX  
13 STATUS OF THE OPPORTUNITY SCHOLARSHIP ORGANIZATION FOR  
14 FEDERAL TAX PURPOSES, IF ANY, AND A COPY OF A  
15 COMPILATION, REVIEW OR AUDIT OF THE OPPORTUNITY  
16 SCHOLARSHIP ORGANIZATION'S FINANCIAL STATEMENTS CONDUCTED  
17 BY A CERTIFIED PUBLIC ACCOUNTING FIRM.

18 (3) NO LATER THAN MAY 1 OF EACH YEAR, THE DEPARTMENT  
19 SHALL ANNUALLY DISTRIBUTE SUCH SAMPLE FORMS, TOGETHER WITH  
20 THE FORMS ON WHICH THE REPORTS ARE REQUIRED TO BE MADE, TO  
21 EACH LISTED OPPORTUNITY SCHOLARSHIP ORGANIZATION.

22 (4) THE DEPARTMENT MAY NOT REQUIRE OTHER INFORMATION TO  
23 BE PROVIDED BY OPPORTUNITY SCHOLARSHIP ORGANIZATIONS, EXCEPT  
24 AS EXPRESSLY AUTHORIZED IN THIS ARTICLE.

25 (E) NOTIFICATION.--THE DEPARTMENT SHALL NOTIFY THE  
26 SCHOLARSHIP ORGANIZATION, PRE-KINDERGARTEN SCHOLARSHIP  
27 ORGANIZATION, EDUCATIONAL IMPROVEMENT ORGANIZATION OR  
28 OPPORTUNITY SCHOLARSHIP ORGANIZATION THAT THE ORGANIZATION MEETS  
29 THE REQUIREMENTS OF AND IS QUALIFIED UNDER THIS ARTICLE FOR THAT  
30 FISCAL YEAR NO LATER THAN 60 DAYS AFTER THE ORGANIZATION HAS

1 SUBMITTED THE INFORMATION REQUIRED UNDER THIS SECTION.

2 (F) PUBLICATION.--THE DEPARTMENT SHALL ANNUALLY PUBLISH A  
3 LIST OF EACH SCHOLARSHIP ORGANIZATION, PRE-KINDERGARTEN  
4 SCHOLARSHIP ORGANIZATION, EDUCATIONAL IMPROVEMENT ORGANIZATION  
5 AND OPPORTUNITY SCHOLARSHIP ORGANIZATION QUALIFIED UNDER THIS  
6 SECTION IN THE PENNSYLVANIA BULLETIN. THE LIST SHALL ALSO BE  
7 POSTED AND UPDATED AS NECESSARY ON THE PUBLICLY ACCESSIBLE  
8 INTERNET WEBSITE OF THE DEPARTMENT.

9 SECTION 2004-B. APPLICATION BY BUSINESS FIRMS.

10 (A) SCHOLARSHIP ORGANIZATION, PRE-KINDERGARTEN SCHOLARSHIP  
11 ORGANIZATION OR OPPORTUNITY SCHOLARSHIP ORGANIZATION.--A  
12 BUSINESS FIRM SHALL APPLY TO THE DEPARTMENT FOR A TAX CREDIT FOR  
13 CONTRIBUTIONS TO A SCHOLARSHIP ORGANIZATION, PRE-KINDERGARTEN  
14 SCHOLARSHIP ORGANIZATION OR OPPORTUNITY SCHOLARSHIP ORGANIZATION  
15 UNDER SECTION 2005-B. A BUSINESS FIRM SHALL RECEIVE A TAX CREDIT  
16 UNDER THIS ARTICLE IF THE SCHOLARSHIP ORGANIZATION, PRE-  
17 KINDERGARTEN SCHOLARSHIP ORGANIZATION OR OPPORTUNITY SCHOLARSHIP  
18 ORGANIZATION THAT RECEIVES THE CONTRIBUTION APPEARS ON THE LIST  
19 ESTABLISHED UNDER SECTION 2003-B(F), SUBJECT TO THE LIMITATIONS  
20 IN SECTIONS 2005-B AND 2006-B.

21 (B) EDUCATIONAL IMPROVEMENT ORGANIZATION.--A BUSINESS FIRM  
22 MUST APPLY TO THE DEPARTMENT FOR A CREDIT FOR A CONTRIBUTION TO  
23 AN EDUCATIONAL IMPROVEMENT ORGANIZATION UNDER SECTION 2005-B. A  
24 BUSINESS FIRM SHALL RECEIVE A TAX CREDIT UNDER THIS ARTICLE IF  
25 THE DEPARTMENT HAS APPROVED THE PROGRAM PROVIDED BY THE  
26 EDUCATIONAL IMPROVEMENT ORGANIZATION THAT RECEIVES THE  
27 CONTRIBUTION, SUBJECT TO THE LIMITATIONS IN SECTIONS 2005-B AND  
28 2006-B.

29 (C) AVAILABILITY OF TAX CREDITS.--TAX CREDITS UNDER THIS  
30 ARTICLE SHALL BE MADE AVAILABLE BY THE DEPARTMENT ON A FIRST-



1 COME, FIRST-SERVED BASIS WITHIN THE LIMITATION ESTABLISHED UNDER  
2 SECTION 2006-B(A).

3 (D) CONTRIBUTIONS.--A CONTRIBUTION BY A BUSINESS FIRM TO A  
4 SCHOLARSHIP ORGANIZATION, PRE-KINDERGARTEN SCHOLARSHIP  
5 ORGANIZATION, OPPORTUNITY SCHOLARSHIP ORGANIZATION OR  
6 EDUCATIONAL IMPROVEMENT ORGANIZATION SHALL BE MADE NO LATER THAN  
7 60 DAYS FOLLOWING THE APPROVAL OF AN APPLICATION UNDER  
8 SUBSECTION (A) OR (B).

9 (E) APPLICATION IN THE ALTERNATIVE.--AT THE TIME OF  
10 APPLICATION FOR AN EDUCATIONAL IMPROVEMENT OR OPPORTUNITY  
11 SCHOLARSHIP TAX CREDIT, THE DEPARTMENT SHALL ADVISE A BUSINESS  
12 FIRM THAT THE FIRM MAY ELECT THAT ITS APPLICATION FOR A  
13 PARTICULAR CREDIT WILL, IN THE ALTERNATIVE, BE DEEMED AN  
14 APPLICATION RECEIVED BY THE DEPARTMENT ON THE SAME DATE AS THE  
15 PREFERRED APPLICATION, BUT FOR A DIFFERENT TAX CREDIT AUTHORIZED  
16 UNDER THIS SECTION IF THE BUSINESS FIRM'S PREFERRED CHOICE OF  
17 TAX CREDIT IS NOT AVAILABLE. WHEN A BUSINESS FIRM DOES NOT  
18 RECEIVE ITS PREFERRED CHOICE OF TAX CREDIT, THE DEPARTMENT SHALL  
19 PROMPTLY CONSIDER THE BUSINESS FIRM'S APPLICATION IN THE  
20 ALTERNATIVE FOR A DIFFERENT TAX CREDIT AUTHORIZED UNDER THIS  
21 SECTION.

22 SECTION 2005-B. TAX CREDITS.

23 (A) SCHOLARSHIP OR EDUCATIONAL IMPROVEMENT ORGANIZATIONS.--  
24 IN ACCORDANCE WITH SECTION 2006-B, THE DEPARTMENT OF REVENUE  
25 SHALL GRANT A TAX CREDIT AGAINST ANY APPLICABLE TAX TO A  
26 BUSINESS FIRM PROVIDING PROOF OF A CONTRIBUTION TO A SCHOLARSHIP  
27 ORGANIZATION OR EDUCATIONAL IMPROVEMENT ORGANIZATION IN THE  
28 TAXABLE YEAR IN WHICH THE CONTRIBUTION IS MADE IN ACCORDANCE  
29 WITH THE FOLLOWING:

30 (1) THE TAX CREDIT SHALL NOT EXCEED 75% OF THE TOTAL

1 AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY THE BUSINESS  
2 FIRM.

3 (2) FOR FISCAL YEAR 2014-2015, AND EACH FISCAL YEAR  
4 THEREAFTER, THE TAX CREDIT SHALL NOT EXCEED \$750,000 ANNUALLY  
5 PER BUSINESS FIRM FOR CONTRIBUTIONS MADE TO SCHOLARSHIP  
6 ORGANIZATIONS OR EDUCATIONAL IMPROVEMENT ORGANIZATIONS EXCEPT  
7 AS PROVIDED UNDER SUBSECTION (I).

8 (A.1) OPPORTUNITY SCHOLARSHIP ORGANIZATIONS.--IN ACCORDANCE  
9 WITH SECTION 2006-B, THE DEPARTMENT OF REVENUE SHALL GRANT A TAX  
10 CREDIT AGAINST ANY APPLICABLE TAX TO A BUSINESS FIRM PROVIDING  
11 PROOF OF A CONTRIBUTION TO AN OPPORTUNITY SCHOLARSHIP  
12 ORGANIZATION IN THE TAXABLE YEAR IN WHICH THE CONTRIBUTION IS  
13 MADE IN ACCORDANCE WITH THE FOLLOWING:

14 (1) THE TAX CREDIT SHALL NOT EXCEED 75% OF THE TOTAL  
15 AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY THE BUSINESS  
16 FIRM.

17 (2) FOR FISCAL YEAR 2014-2015, AND EACH FISCAL YEAR  
18 THEREAFTER, THE TAX CREDIT SHALL NOT EXCEED \$750,000 ANNUALLY  
19 PER BUSINESS FIRM FOR CONTRIBUTIONS MADE TO OPPORTUNITY  
20 SCHOLARSHIP ORGANIZATIONS, EXCEPT AS PROVIDED IN SUBSECTION  
21 (I).

22 (B) ADDITIONAL AMOUNT.--IN ACCORDANCE WITH SECTION 2006-B,  
23 THE DEPARTMENT OF REVENUE SHALL GRANT A TAX CREDIT OF UP TO 90%  
24 OF THE TOTAL AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR IF THE  
25 BUSINESS FIRM PROVIDES A WRITTEN COMMITMENT TO PROVIDE THE  
26 SCHOLARSHIP ORGANIZATION, EDUCATIONAL IMPROVEMENT ORGANIZATION  
27 OR OPPORTUNITY SCHOLARSHIP ORGANIZATION WITH THE SAME AMOUNT OF  
28 CONTRIBUTION FOR TWO CONSECUTIVE TAX YEARS. THE BUSINESS FIRM  
29 MUST PROVIDE THE WRITTEN COMMITMENT UNDER THIS SUBSECTION TO THE  
30 DEPARTMENT AT THE TIME OF APPLICATION.

1 (C) PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATIONS.--IN  
2 ACCORDANCE WITH SECTION 2006-B, THE DEPARTMENT OF REVENUE SHALL  
3 GRANT A TAX CREDIT AGAINST ANY APPLICABLE TAX TO A BUSINESS FIRM  
4 PROVIDING PROOF OF A CONTRIBUTION TO A PRE-KINDERGARTEN  
5 SCHOLARSHIP ORGANIZATION IN THE TAXABLE YEAR IN WHICH THE  
6 CONTRIBUTION IS MADE IN ACCORDANCE WITH THE FOLLOWING:

7 (1) THE TAX CREDIT SHALL BE EQUAL TO 100% OF THE FIRST  
8 \$10,000 CONTRIBUTED DURING THE TAXABLE YEAR BY THE BUSINESS  
9 FIRM AND SHALL NOT EXCEED 90% OF THE REMAINING AMOUNT  
10 CONTRIBUTED DURING THE TAXABLE YEAR BY THE BUSINESS FIRM. AT  
11 THE TIME OF APPLICATION, A BUSINESS FIRM MAY PROVIDE A  
12 WRITTEN COMMITMENT TO THE DEPARTMENT TO PROVIDE THE PRE-  
13 KINDERGARTEN SCHOLARSHIP ORGANIZATION WITH AT LEAST THE SAME  
14 AMOUNT OF CONTRIBUTION FOR TWO CONSECUTIVE YEARS.

15 (2) THE TAX CREDIT SHALL NOT EXCEED \$200,000 ANNUALLY  
16 PER BUSINESS FIRM FOR CONTRIBUTIONS MADE TO PRE-KINDERGARTEN  
17 SCHOLARSHIP ORGANIZATIONS, EXCEPT AS PROVIDED IN SUBSECTION  
18 (I).

19 (D) COMBINATION OF TAX CREDITS.--IN ACCORDANCE WITH SECTION  
20 2006-B, A BUSINESS FIRM MAY RECEIVE TAX CREDITS FROM THE  
21 DEPARTMENT OF REVENUE IN ANY TAX YEAR FOR ANY COMBINATION OF  
22 CONTRIBUTIONS UNDER SUBSECTION (A), (A.1), (B) OR (C). EXCEPT AS  
23 PROVIDED IN SUBSECTION (I), IN NO CASE MAY A BUSINESS FIRM  
24 RECEIVE TAX CREDITS IN ANY TAX YEAR IN EXCESS OF THE FOLLOWING:

25 (1) \$750,000 FOR COMBINED CONTRIBUTIONS TO SCHOLARSHIP  
26 AND EDUCATIONAL IMPROVEMENT ORGANIZATIONS UNDER SUBSECTIONS  
27 (A) AND (B).

28 (2) \$750,000 FOR CONTRIBUTIONS TO OPPORTUNITY  
29 SCHOLARSHIP ORGANIZATIONS UNDER SUBSECTIONS (A.1) AND (B).

30 (3) \$200,000 FOR CONTRIBUTIONS TO PRE-KINDERGARTEN

1 SCHOLARSHIP ORGANIZATIONS UNDER SUBSECTION (C).

2 (E) PASS-THROUGH ENTITY.--

3 (1) IF A PASS-THROUGH ENTITY DOES NOT INTEND TO USE ALL  
4 APPROVED TAX CREDITS UNDER THIS SECTION, IT MAY ELECT IN  
5 WRITING TO DISTRIBUTE FOR NO CONSIDERATION ALL OR A PORTION  
6 OF THE CREDIT TO SHAREHOLDERS, MEMBERS OR PARTNERS IN  
7 PROPORTION TO THE PERCENTAGE INTEREST OF THE SHAREHOLDER,  
8 MEMBER OR PARTNER IN DISTRIBUTIONS FROM THE PASS-THROUGH  
9 ENTITY, WHICH CREDITS MAY BE USED BY THE SHAREHOLDERS,  
10 MEMBERS OR PARTNERS IN THE TAXABLE YEAR IN WHICH THE  
11 CONTRIBUTION IS MADE OR IN THE TAXABLE YEAR IMMEDIATELY  
12 FOLLOWING THE YEAR IN WHICH THE CONTRIBUTION IS MADE. THE  
13 ELECTION SHALL DESIGNATE THE YEAR IN WHICH THE DISTRIBUTED  
14 CREDITS ARE TO BE USED AND SHALL BE MADE ACCORDING TO  
15 PROCEDURES ESTABLISHED BY THE DEPARTMENT OF REVENUE. A PASS-  
16 THROUGH ENTITY THAT RECEIVED A DISTRIBUTION FROM A PASS-  
17 THROUGH ENTITY UNDER THIS PARAGRAPH MAY MAKE A DISTRIBUTION  
18 UNDER THIS PARAGRAPH.

19 (2) A PASS-THROUGH ENTITY AND A SHAREHOLDER, MEMBER OR  
20 PARTNER OF A PASS-THROUGH ENTITY SHALL NOT CLAIM THE CREDIT  
21 UNDER THIS SECTION FOR THE SAME CONTRIBUTION.

22 (3) THE SHAREHOLDER, MEMBER OR PARTNER MAY NOT CARRY  
23 FORWARD, CARRY BACK, OBTAIN A REFUND OF OR SELL OR ASSIGN THE  
24 CREDIT.

25 (4) AN INDIVIDUAL SHAREHOLDER, PARTNER OR MEMBER MAY  
26 APPLY A CREDIT DISTRIBUTED UNDER THIS SECTION TO INCOME  
27 TAXABLE UNDER ARTICLE III OF THE TAX REFORM CODE OF 1971 TO  
28 THE SHAREHOLDER, PARTNER OR MEMBER, TO THE SPOUSE OF THE  
29 SHAREHOLDER, PARTNER OR MEMBER OR TO BOTH, IF BOTH THE  
30 SHAREHOLDER, PARTNER OR MEMBER AND THE SPOUSE REPORT INCOME

1 ON A JOINT PERSONAL INCOME TAX RETURN.

2 (F) RESTRICTION ON APPLICABILITY OF CREDITS.--NO CREDITS  
3 GRANTED UNDER THIS SECTION SHALL BE APPLIED AGAINST ANY TAX  
4 WITHHELD BY AN EMPLOYER FROM AN EMPLOYEE UNDER ARTICLE III OF  
5 THE TAX REFORM CODE OF 1971.

6 (G) TIME OF APPLICATION FOR CREDITS.--

7 (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), THE DEPARTMENT  
8 MAY ACCEPT APPLICATIONS FOR TAX CREDITS AVAILABLE DURING A  
9 FISCAL YEAR NO EARLIER THAN JULY 1 OF EACH FISCAL YEAR.

10 (2) THE APPLICATION OF ANY BUSINESS FIRM FOR TAX CREDITS  
11 AVAILABLE DURING A FISCAL YEAR AS PART OF THE SECOND YEAR OF  
12 A TWO-YEAR COMMITMENT OR AS A RENEWAL OF A TWO-YEAR  
13 COMMITMENT WHICH WAS FULFILLED IN THE PREVIOUS FISCAL YEAR  
14 MAY BE ACCEPTED NO EARLIER THAN MAY 15 PRECEDING THE FISCAL  
15 YEAR.

16 (G.1) APPROVAL OF TAX CREDITS.--UNLESS OTHERWISE REQUESTED  
17 BY THE BUSINESS FIRM AND AGREED TO BY BOTH THE BUSINESS FIRM AND  
18 THE DEPARTMENT, AND UNLESS ALL AUTHORIZED CREDITS HAVE ALREADY  
19 BEEN AWARDED:

20 (1) FOR FISCAL YEAR 2016-2017, AND EACH FISCAL YEAR  
21 THEREAFTER, THE DEPARTMENT SHALL GIVE WRITTEN NOTICE OF ITS  
22 APPROVAL TO EACH BUSINESS FIRM THAT SUBMITTED A COMPLETED  
23 APPLICATION UNDER SUBSECTION (G) BY AUGUST 15, OR 30 DAYS  
24 FOLLOWING RECEIPT OF THE COMPLETED APPLICATION, WHICHEVER IS  
25 LATER.

26 (2) FOR FISCAL YEAR 2016-2017, AND EACH FISCAL YEAR  
27 THEREAFTER, THE DEPARTMENT SHALL GIVE WRITTEN NOTICE OF ITS  
28 APPROVAL TO EACH BUSINESS FIRM THAT SUBMITTED A COMPLETED  
29 APPLICATION UNDER SUBSECTION (J) (2) WITHIN 30 DAYS FOLLOWING  
30 RECEIPT OF THE COMPLETED APPLICATION.

1 (H) WAITING LIST.--THE DEPARTMENT SHALL MAINTAIN A WAITING  
2 LIST CONSISTING OF EACH BUSINESS FIRM WHICH CHOOSES TO BE  
3 INCLUDED ON THE LIST AND WHOSE APPLICATION HAS NOT BEEN APPROVED  
4 BECAUSE ALL AVAILABLE TAX CREDITS HAVE BEEN AWARDED. A BUSINESS  
5 FIRM THAT WAS NOT AWARDED A TAX CREDIT DUE TO A LACK OF  
6 AVAILABLE TAX CREDITS SHALL BE NOTIFIED OF AND OFFERED A PLACE  
7 ON THE WAITING LIST. WHEN TAX CREDITS BECOME AVAILABLE, THE  
8 DEPARTMENT SHALL AWARD THE TAX CREDITS TO THE BUSINESS FIRMS IN  
9 THE ORDER IN WHICH THE BUSINESS FIRMS WERE PLACED ON THE WAITING  
10 LIST.

11 (I) TEMPORARY INCREASE IN MAXIMUM TAX CREDITS AVAILABLE.--

12 (1) IF ALL TAX CREDITS AUTHORIZED UNDER THIS ARTICLE FOR  
13 CONTRIBUTIONS TO THE CATEGORY OF SCHOLARSHIP ORGANIZATIONS,  
14 OPPORTUNITY SCHOLARSHIP ORGANIZATIONS OR PRE-KINDERGARTEN  
15 SCHOLARSHIP ORGANIZATIONS HAVE NOT BEEN AWARDED AS OF OCTOBER  
16 1 OF ANY FISCAL YEAR, THEN FOR APPLICATIONS ACCEPTED BY THE  
17 DEPARTMENT FROM OCTOBER 1 THROUGH NOVEMBER 30 OF SUCH FISCAL  
18 YEAR, THE LIMITATIONS SET FORTH IN SUBSECTIONS (A), (A.1),  
19 (C) AND (D) RELATING TO THE MAXIMUM AMOUNT OF TAX CREDITS A  
20 BUSINESS FIRM CAN RECEIVE DURING A FISCAL YEAR FOR  
21 CONTRIBUTIONS TO EACH SUCH CATEGORY OF ORGANIZATIONS SHALL  
22 NOT APPLY. UNDER THIS PARAGRAPH, THE DEPARTMENT MAY ACCEPT  
23 APPLICATIONS UNDER SECTION 2004-B FROM OCTOBER 1 THROUGH  
24 NOVEMBER 30 AS FOLLOWS:

25 (I) A BUSINESS FIRM, INCLUDING A BUSINESS FIRM THAT  
26 ALREADY APPLIED FOR THE MAXIMUM TAX CREDITS AVAILABLE  
27 PURSUANT TO SUBSECTIONS (A) AND (D), MAY APPLY UNDER  
28 SECTION 2004-B(A) FOR UP TO THE TOTAL AMOUNT OF TAX  
29 CREDITS REMAINING AVAILABLE FOR CONTRIBUTIONS TO  
30 SCHOLARSHIP ORGANIZATIONS FOR THE FISCAL YEAR AS SET

1           FORTH IN SECTION 2006-B(A) (1) .

2           (II) A BUSINESS FIRM, INCLUDING A BUSINESS FIRM THAT  
3           ALREADY APPLIED FOR THE MAXIMUM TAX CREDITS AVAILABLE  
4           PURSUANT TO SUBSECTIONS (A.1) AND (D), MAY APPLY UNDER  
5           SECTION 2004-B(A) FOR UP TO THE TOTAL AMOUNT OF TAX  
6           CREDITS REMAINING AVAILABLE FOR CONTRIBUTIONS TO  
7           OPPORTUNITY SCHOLARSHIP ORGANIZATIONS FOR THE FISCAL YEAR  
8           AS SET FORTH IN SECTION 2006-B(A) (3) .

9           (III) A BUSINESS FIRM, INCLUDING A BUSINESS FIRM  
10           THAT ALREADY APPLIED FOR THE MAXIMUM TAX CREDITS  
11           AVAILABLE PURSUANT TO SUBSECTIONS (C) AND (D), MAY APPLY  
12           UNDER SECTION 2004-B(A) FOR UP TO THE TOTAL AMOUNT OF TAX  
13           CREDITS REMAINING AVAILABLE FOR CONTRIBUTIONS TO PRE-  
14           KINDERGARTEN SCHOLARSHIP ORGANIZATIONS FOR THE FISCAL  
15           YEAR AS SET FORTH IN SECTION 2006-B(A) (2) .

16           (2) THE PROVISIONS OF SUBSECTION (B) SHALL NOT APPLY TO  
17           APPLICATIONS FOR TAX CREDITS MADE UNDER THIS SUBSECTION. TAX  
18           CREDITS AWARDED UNDER THIS SUBSECTION SHALL NOT EXCEED 75% OF  
19           THE TOTAL AMOUNT CONTRIBUTED DURING THE TAXABLE YEAR BY A  
20           BUSINESS FIRM PURSUANT TO AN APPLICATION FILED UNDER THIS  
21           SUBSECTION.

22           (3) PRIOR TO THE AWARD OF TAX CREDITS APPLIED FOR UNDER  
23           THIS SUBSECTION, THE DEPARTMENT SHALL FIRST AWARD TAX CREDITS  
24           APPLIED FOR BY A BUSINESS FIRM DURING THE PERIOD OCTOBER 1  
25           THROUGH NOVEMBER 30 IN AN AMOUNT NO GREATER THAN THE MAXIMUM  
26           AMOUNT OF TAX CREDITS FOR WHICH A BUSINESS FIRM IS ELIGIBLE  
27           UNDER SUBSECTIONS (A), (A.1), (C) AND (D). THE TAX CREDITS  
28           SHALL BE AWARDED ON A FIRST-COME, FIRST-SERVED BASIS AS SET  
29           FORTH IN SECTION 2004-B(C) .

30           (4) AFTER THE DEPARTMENT HAS AWARDED TAX CREDITS UNDER

1 PARAGRAPH (3), ANY TAX CREDITS REMAINING AVAILABLE WITHIN THE  
2 CATEGORY OF SCHOLARSHIP ORGANIZATIONS, OPPORTUNITY  
3 SCHOLARSHIP ORGANIZATIONS AND PRE-KINDERGARTEN SCHOLARSHIP  
4 ORGANIZATIONS SHALL BE AWARDED BASED ON THE TOTAL AMOUNT OF  
5 TAX CREDITS WITHIN EACH CATEGORY OF ORGANIZATION FOR WHICH  
6 APPLICATIONS ARE RECEIVED UNDER THIS SUBSECTION FROM OCTOBER  
7 1 THROUGH NOVEMBER 30 OF THE FISCAL YEAR AS FOLLOWS:

8 (I) IF THE TOTAL AMOUNT OF TAX CREDITS APPLIED FOR  
9 BY ALL BUSINESS FIRMS UNDER THIS SUBSECTION DOES NOT  
10 EXCEED THE TOTAL AMOUNT OF TAX CREDITS THAT REMAINED  
11 AVAILABLE FOR AWARD WITHIN A CATEGORY AS OF OCTOBER 1,  
12 LESS THOSE TAX CREDITS AWARDED UNDER PARAGRAPH (3), THEN  
13 EACH BUSINESS FIRM MAY BE AWARDED THE FULL AMOUNT OF TAX  
14 CREDITS APPLIED FOR.

15 (II) IF THE TOTAL AMOUNT OF TAX CREDITS APPLIED FOR  
16 BY ALL BUSINESS FIRMS UNDER THIS SUBSECTION EXCEEDS THE  
17 TOTAL AMOUNT OF TAX CREDITS THAT REMAINED AVAILABLE FOR  
18 AWARD WITHIN A CATEGORY AS OF OCTOBER 1, LESS THOSE TAX  
19 CREDITS AWARDED UNDER PARAGRAPH (3), THEN EACH BUSINESS  
20 FIRM MAY BE AWARDED AN AMOUNT OF TAX CREDITS DETERMINED  
21 BY MULTIPLYING THE AMOUNT OF TAX CREDITS APPLIED FOR BY  
22 THE BUSINESS FIRM BY A RATIO, THE NUMERATOR OF WHICH IS  
23 THE TOTAL AMOUNT OF TAX CREDITS THAT REMAINED AVAILABLE  
24 FOR AWARD WITHIN THE CATEGORY AS OF OCTOBER 1, LESS THOSE  
25 AWARDED AS SET FORTH IN PARAGRAPH (3), AND THE  
26 DENOMINATOR OF WHICH IS THE TOTAL AMOUNT OF TAX CREDITS  
27 APPLIED FOR BY ALL BUSINESS FIRMS UNDER THIS SUBSECTION.

28 (5) NOTWITHSTANDING A TEMPORARY INCREASE IN MAXIMUM TAX  
29 CREDITS AVAILABLE UNDER THIS SUBSECTION, THE LIMITATIONS SET  
30 FORTH IN SUBSECTIONS (A), (A.1), (C) AND (D) RELATING TO THE



1 MAXIMUM AMOUNT OF TAX CREDITS A BUSINESS FIRM CAN RECEIVE  
2 DURING A YEAR FOR CONTRIBUTIONS TO A CATEGORY OF SCHOLARSHIP  
3 ORGANIZATIONS, OPPORTUNITY SCHOLARSHIP ORGANIZATIONS OR PRE-  
4 KINDERGARTEN SCHOLARSHIP ORGANIZATIONS SHALL BE REINSTATED  
5 FOR ALL APPLICATIONS ACCEPTED BY THE DEPARTMENT ON OR AFTER  
6 DECEMBER 1 OF THE FISCAL YEAR.

7 (J) REALLOCATION OF TAX CREDITS.--

8 (1) BEGINNING ON JANUARY 1 OF ANY FISCAL YEAR, IF ANY  
9 TAX CREDITS AUTHORIZED UNDER THIS ARTICLE FOR CONTRIBUTIONS  
10 TO ANY OF THE CATEGORIES OF SCHOLARSHIP ORGANIZATIONS,  
11 OPPORTUNITY SCHOLARSHIP ORGANIZATIONS OR PRE-KINDERGARTEN  
12 SCHOLARSHIP ORGANIZATIONS REMAIN UNAWARDED, SUCH UNAWARDED  
13 TAX CREDITS MAY BE REALLOCATED TO ANY OF THE CATEGORIES OF  
14 SCHOLARSHIP ORGANIZATIONS, OPPORTUNITY SCHOLARSHIP  
15 ORGANIZATIONS OR PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATIONS  
16 FOR WHICH ALL AVAILABLE TAX CREDITS HAVE BEEN AWARDED. THE  
17 DEPARTMENT SHALL, WITHIN 10 BUSINESS DAYS, INFORM EACH  
18 BUSINESS FIRM ON THE WAITING LIST MAINTAINED BY THE  
19 DEPARTMENT UNDER SUBSECTION (H) THAT TAX CREDITS REMAIN  
20 AVAILABLE UNDER ANOTHER CATEGORY FOR WHICH THE BUSINESS FIRM  
21 HAS NOT YET APPLIED. IF A BUSINESS FIRM NOTIFIED UNDER THIS  
22 PARAGRAPH ELECTS, THE DEPARTMENT SHALL REALLOCATE AVAILABLE  
23 TAX CREDITS FOR AWARD TO THE BUSINESS FIRM IN THE BUSINESS  
24 FIRM'S PREFERRED TAX CREDIT CATEGORY, NOTWITHSTANDING THE  
25 LIMITATIONS CONTAINED IN SECTION 2006-B(A). THE AMOUNT OF TAX  
26 CREDITS TO BE AWARDED TO A BUSINESS FIRM UNDER THIS PARAGRAPH  
27 SHALL NOT EXCEED THE AMOUNT OF TAX CREDITS AVAILABLE FOR  
28 REALLOCATION OR THE MAXIMUM AMOUNT OF TAX CREDITS FOR WHICH A  
29 BUSINESS FIRM IS ELIGIBLE UNDER SUBSECTIONS (A), (A.1), (C)  
30 AND (D). EACH BUSINESS FIRM SHALL HAVE 10 BUSINESS DAYS FROM

1 THE DATE OF THE DEPARTMENT'S NOTICE TO ELECT A REALLOCATION  
2 OF TAX CREDITS UNDER THIS PARAGRAPH. THE DEPARTMENT SHALL  
3 AWARD TAX CREDITS ON A FIRST-COME, FIRST-SERVED BASIS.

4 (2) AFTER THE DEPARTMENT HAS AWARDED TAX CREDITS UNDER  
5 PARAGRAPH (1), THE DEPARTMENT SHALL ACCEPT NEW APPLICATIONS  
6 FOR REALLOCATION OF TAX CREDITS FROM ANY OF THE CATEGORIES OF  
7 SCHOLARSHIP ORGANIZATIONS, OPPORTUNITY SCHOLARSHIP  
8 ORGANIZATIONS OR PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATIONS  
9 FOR WHICH TAX CREDITS REMAIN AVAILABLE TO THE APPLICANT'S  
10 PREFERRED CATEGORY OF SCHOLARSHIP ORGANIZATIONS, OPPORTUNITY  
11 SCHOLARSHIP ORGANIZATIONS OR PRE-KINDERGARTEN SCHOLARSHIP  
12 ORGANIZATIONS FOR WHICH ALL AVAILABLE TAX CREDITS HAVE BEEN  
13 AWARDED, NOTWITHSTANDING ANY LIMITATIONS CONTAINED IN SECTION  
14 2006-B(A). THE AMOUNT OF TAX CREDITS TO BE AWARDED TO A  
15 BUSINESS FIRM UNDER THIS PARAGRAPH SHALL NOT EXCEED THE  
16 AMOUNT OF TAX CREDITS AVAILABLE FOR REALLOCATION OR THE  
17 MAXIMUM AMOUNT OF TAX CREDITS FOR WHICH A BUSINESS FIRM IS  
18 ELIGIBLE UNDER SUBSECTIONS (A), (A.1), (C) AND (D). THE  
19 DEPARTMENT SHALL AWARD TAX CREDITS ON A FIRST-COME, FIRST-  
20 SERVED BASIS.

21 (2.1) IN ANY FISCAL YEAR, THE FIRST \$10,000,000 IN TAX  
22 CREDITS AVAILABLE FOR REALLOCATION UNDER PARAGRAPHS (1) AND  
23 (2) SHALL BE SET ASIDE FOR CONTRIBUTIONS TO PRE-KINDERGARTEN  
24 SCHOLARSHIP ORGANIZATIONS. IF \$10,000,000 IN TAX CREDITS HAVE  
25 NOT BEEN AWARDED TO PRE-KINDERGARTEN SCHOLARSHIP  
26 ORGANIZATIONS UNDER PARAGRAPHS (1) AND (2) PRIOR TO MARCH 1  
27 OF ANY FISCAL YEAR, THE REMAINING TAX CREDITS AVAILABLE FOR  
28 REALLOCATION UNDER PARAGRAPHS (1) AND (2) SHALL BE MADE  
29 AVAILABLE FOR CONTRIBUTIONS TO ANY OF THE CATEGORIES OF  
30 SCHOLARSHIP ORGANIZATIONS, OPPORTUNITY SCHOLARSHIP

1 ORGANIZATIONS OR PRE-KINDERGARTEN SCHOLARSHIP ORGANIZATIONS.

2 (3) NO TAX CREDITS SHALL BE AWARDED UNDER THIS  
3 SUBSECTION UNTIL THE DEPARTMENT HAS COMPLETED THE AWARD OF  
4 TAX CREDITS FOR APPLICATIONS MADE UNDER SUBSECTION (I).

5 (4) THE DEPARTMENT SHALL NOT REALLOCATE TAX CREDITS FROM  
6 ANY OF THE CATEGORIES OF SCHOLARSHIP ORGANIZATIONS,  
7 OPPORTUNITY SCHOLARSHIP ORGANIZATIONS OR PRE-KINDERGARTEN  
8 SCHOLARSHIP ORGANIZATIONS TO THE CATEGORY OF EDUCATIONAL  
9 IMPROVEMENT ORGANIZATIONS.

10 (5) SUBSECTIONS (B) AND (G) SHALL NOT APPLY TO AN  
11 APPLICATION FOR REALLOCATION OF TAX CREDITS UNDER THIS  
12 SUBSECTION.

13 SECTION 2006-B. LIMITATIONS.

14 (A) AMOUNT.--

15 (1) THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS  
16 APPROVED FOR CONTRIBUTIONS FROM BUSINESS FIRMS TO SCHOLARSHIP  
17 ORGANIZATIONS, EDUCATIONAL IMPROVEMENT ORGANIZATIONS AND PRE-  
18 KINDERGARTEN SCHOLARSHIP ORGANIZATIONS SHALL NOT EXCEED  
19 \$125,000,000 IN A FISCAL YEAR.

20 (I) NO LESS THAN \$75,000,000 OF THE TOTAL AGGREGATE  
21 AMOUNT SHALL BE USED TO PROVIDE TAX CREDITS FOR  
22 CONTRIBUTIONS FROM BUSINESS FIRMS TO SCHOLARSHIP  
23 ORGANIZATIONS.

24 (II) NO LESS THAN \$37,500,000 OF THE TOTAL AGGREGATE  
25 AMOUNT SHALL BE USED TO PROVIDE TAX CREDITS FOR  
26 CONTRIBUTIONS FROM BUSINESS FIRMS TO EDUCATIONAL  
27 IMPROVEMENT ORGANIZATIONS.

28 (III) THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS  
29 APPROVED FOR CONTRIBUTIONS FROM BUSINESS FIRMS TO PRE-  
30 KINDERGARTEN SCHOLARSHIP ORGANIZATIONS SHALL NOT EXCEED

1           \$12,500,000 IN A FISCAL YEAR.

2           (2) THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS  
3           APPROVED FOR CONTRIBUTIONS FROM BUSINESS FIRMS TO OPPORTUNITY  
4           SCHOLARSHIP ORGANIZATIONS SHALL NOT EXCEED \$50,000,000 IN A  
5           FISCAL YEAR.

6           (B) ACTIVITIES.--NO TAX CREDIT SHALL BE APPROVED FOR  
7           ACTIVITIES THAT ARE A PART OF A BUSINESS FIRM'S NORMAL COURSE OF  
8           BUSINESS.

9           (C) TAX LIABILITY.--

10           (1) EXCEPT AS PROVIDED IN PARAGRAPH (2), A TAX CREDIT  
11           GRANTED FOR ANY ONE TAXABLE YEAR MAY NOT EXCEED THE TAX  
12           LIABILITY OF A BUSINESS FIRM.

13           (2) IN THE CASE OF A CREDIT GRANTED TO A PASS-THROUGH  
14           ENTITY WHICH ELECTS TO DISTRIBUTE THE CREDIT ACCORDING TO  
15           SECTION 2005-B(E), A TAX CREDIT GRANTED FOR ANY ONE TAXABLE  
16           YEAR AND DISTRIBUTED TO A SHAREHOLDER, MEMBER OR PARTNER MAY  
17           NOT EXCEED THE TAX LIABILITY OF THE SHAREHOLDER, MEMBER OR  
18           PARTNER.

19           (D) USE.--A TAX CREDIT NOT USED BY THE APPLICANT IN THE  
20           TAXABLE YEAR THE CONTRIBUTION WAS MADE OR IN THE YEAR DESIGNATED  
21           BY THE SHAREHOLDER, MEMBER OR PARTNER TO WHOM THE CREDIT WAS  
22           TRANSFERRED UNDER SECTION 2005-B(E) MAY NOT BE CARRIED FORWARD  
23           OR CARRIED BACK AND IS NOT REFUNDABLE OR TRANSFERABLE.

24           (E) NONTAXABLE INCOME.--A SCHOLARSHIP FROM ANY CATEGORY OF  
25           ORGANIZATION RECEIVED BY AN ELIGIBLE STUDENT OR ELIGIBLE PRE-  
26           KINDERGARTEN STUDENT SHALL NOT BE CONSIDERED TO BE TAXABLE  
27           INCOME FOR THE PURPOSES OF ARTICLE III OF THE TAX REFORM CODE OF  
28           1971.

29           (F) FINANCIAL ASSISTANCE.--A SCHOLARSHIP FROM ANY CATEGORY  
30           OF ORGANIZATION RECEIVED BY AN ELIGIBLE STUDENT OR ELIGIBLE PRE-

1 KINDERGARTEN STUDENT SHALL NOT CONSTITUTE AN APPROPRIATION OR  
2 FINANCIAL ASSISTANCE TO THE SCHOOL ATTENDED BY THE RECIPIENT.  
3 SECTION 2007-B. LISTS.

4 THE DEPARTMENT OF REVENUE SHALL PROVIDE A LIST OF ALL  
5 SCHOLARSHIP ORGANIZATIONS, PRE-KINDERGARTEN SCHOLARSHIP  
6 ORGANIZATIONS, EDUCATIONAL IMPROVEMENT ORGANIZATIONS AND  
7 OPPORTUNITY SCHOLARSHIP ORGANIZATIONS RECEIVING CONTRIBUTIONS  
8 FROM BUSINESS FIRMS GRANTED A TAX CREDIT UNDER THIS ARTICLE TO  
9 THE GENERAL ASSEMBLY BY JUNE 30TH OF EACH YEAR.

10 SECTION 2008-B. GUIDELINES.

11 THE DEPARTMENT IN CONSULTATION WITH THE DEPARTMENT OF  
12 EDUCATION SHALL DEVELOP GUIDELINES TO DETERMINE THE ELIGIBILITY  
13 OF AN INNOVATIVE EDUCATIONAL PROGRAM.

14 SECTION 2009-B. OPPORTUNITY SCHOLARSHIPS.

15 (A) NOTICE.--BY FEBRUARY 1 OF EACH YEAR, THE DEPARTMENT  
16 SHALL PROVIDE ALL OPPORTUNITY SCHOLARSHIP ORGANIZATIONS WITH A  
17 LIST OF THE LOW-ACHIEVING SCHOOLS LOCATED WITHIN EACH SCHOOL  
18 DISTRICT.

19 (B) AWARD.--AN OPPORTUNITY SCHOLARSHIP ORGANIZATION MAY  
20 AWARD AN OPPORTUNITY SCHOLARSHIP TO AN APPLICANT WHO RESIDES  
21 WITHIN THE ATTENDANCE BOUNDARY OF A LOW-ACHIEVING SCHOOL TO  
22 ATTEND A PARTICIPATING PUBLIC SCHOOL OR A PARTICIPATING  
23 NONPUBLIC SCHOOL SELECTED BY THE PARENT OF THE APPLICANT. IF AN  
24 APPLICANT WHO RECEIVED AN OPPORTUNITY SCHOLARSHIP FOR THE PRIOR  
25 SCHOOL YEAR RESIDES WITHIN THE ATTENDANCE BOUNDARY OF A SCHOOL  
26 THAT WAS REMOVED FROM THE LIST OF LOW-ACHIEVING SCHOOLS PROVIDED  
27 BY THE DEPARTMENT UNDER SUBSECTION (A), THE APPLICANT MAY  
28 RECEIVE AN OPPORTUNITY SCHOLARSHIP. THE OPPORTUNITY SCHOLARSHIP  
29 MAY BE FOR EACH YEAR OF ENROLLMENT IN A PARTICIPATING PUBLIC  
30 SCHOOL OR PARTICIPATING NONPUBLIC SCHOOL FOR UP TO THE LESSER OF

1 FIVE YEARS OR UNTIL COMPLETION OF GRADE 12, PROVIDED THE  
2 APPLICANT OTHERWISE REMAINS ELIGIBLE. IN AWARDING SCHOLARSHIPS,  
3 AN OPPORTUNITY SCHOLARSHIP ORGANIZATION SHALL GIVE PREFERENCE TO  
4 ANY OF THE FOLLOWING:

5 (1) AN APPLICANT WHO RECEIVED AN OPPORTUNITY SCHOLARSHIP  
6 FOR THE PRIOR SCHOOL YEAR.

7 (2) AN APPLICANT OF A HOUSEHOLD WITH A HOUSEHOLD INCOME  
8 THAT DOES NOT EXCEED 185% OF THE FEDERAL POVERTY LEVEL FOR  
9 THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR FOR WHICH THE  
10 APPLICATION IS BEING MADE.

11 (3) AN APPLICANT OF A HOUSEHOLD WITH A HOUSEHOLD INCOME  
12 THAT DOES NOT EXCEED 185% OF THE FEDERAL POVERTY LEVEL FOR  
13 THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR FOR WHICH THE  
14 APPLICATION IS BEING MADE AND WHO RESIDES WITHIN ANY OF THE  
15 FOLLOWING:

16 (I) A FIRST CLASS SCHOOL DISTRICT.

17 (II) A SCHOOL DISTRICT DESIGNATED AS A FINANCIAL  
18 RECOVERY SCHOOL DISTRICT UNDER ARTICLE VI-A FOR THE YEAR  
19 FOR WHICH THE AWARD IS MADE.

20 (C) HOME SCHOOLING.--AN OPPORTUNITY SCHOLARSHIP ORGANIZATION  
21 SHALL NOT AWARD AN OPPORTUNITY SCHOLARSHIP TO AN APPLICANT FOR  
22 ENROLLMENT IN A HOME EDUCATION PROGRAM UNDER SECTION 1327.1.

23 (D) FUNDING.--THE AGGREGATE AMOUNT OF OPPORTUNITY  
24 SCHOLARSHIPS SHALL NOT EXCEED THE AGGREGATE AMOUNT OF  
25 CONTRIBUTIONS MADE BY BUSINESS FIRMS TO THE OPPORTUNITY  
26 SCHOLARSHIP ORGANIZATION.

27 (E) AMOUNT.--

28 (1) THE MAXIMUM AMOUNT OF AN OPPORTUNITY SCHOLARSHIP  
29 AWARDED TO AN APPLICANT WITHOUT A DISABILITY SHALL BE \$8,500.

30 (2) THE MAXIMUM AMOUNT OF AN OPPORTUNITY SCHOLARSHIP

1 AWARDED TO AN APPLICANT WITH A DISABILITY SHALL BE \$15,000.

2 (3) IN NO CASE SHALL THE COMBINED AMOUNT OF THE  
3 OPPORTUNITY SCHOLARSHIP AWARDED TO A RECIPIENT AND ANY  
4 ADDITIONAL FINANCIAL ASSISTANCE PROVIDED TO THE RECIPIENT  
5 EXCEED THE TUITION RATE AND SCHOOL-RELATED FEES FOR THE  
6 PARTICIPATING PUBLIC SCHOOL OR PARTICIPATING NONPUBLIC SCHOOL  
7 THAT THE RECIPIENT WILL ATTEND.

8 SECTION 2010-B. LOW-ACHIEVING SCHOOLS.

9 (A) LIST OF LOW-ACHIEVING SCHOOLS.--BY FEBRUARY 1 OF EACH  
10 YEAR, THE DEPARTMENT OF EDUCATION SHALL PUBLISH ON THE  
11 DEPARTMENT OF EDUCATION'S PUBLICLY ACCESSIBLE INTERNET WEBSITE  
12 AND IN THE PENNSYLVANIA BULLETIN A LIST OF THE LOW-ACHIEVING  
13 SCHOOLS FOR THE FOLLOWING SCHOOL YEAR.

14 (B) NOTICE.--BY FEBRUARY 1 OF EACH YEAR, THE DEPARTMENT OF  
15 EDUCATION SHALL NOTIFY EVERY SCHOOL DISTRICT IDENTIFIED AS  
16 HAVING AT LEAST ONE LOW-ACHIEVING SCHOOL OF SUCH IDENTIFICATION  
17 AND SHALL FURNISH THE SCHOOL DISTRICT WITH A LIST OF THE LOW-  
18 ACHIEVING SCHOOLS LOCATED WITHIN THE SCHOOL DISTRICT.

19 (C) PUBLICATION.--WITHIN 15 DAYS OF RECEIPT OF A  
20 NOTIFICATION UNDER SUBSECTION (B), A SCHOOL DISTRICT SHALL POST  
21 ON THE DISTRICT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE NOTICE OF  
22 ALL OF THE FOLLOWING:

23 (1) A DESCRIPTION OF THE OPPORTUNITY SCHOLARSHIP  
24 PROGRAM.

25 (2) INSTRUCTIONS FOR APPLYING FOR AN OPPORTUNITY  
26 SCHOLARSHIP.

27 (3) A LIST OF SCHOOLS IN THE SCHOOL DISTRICT THAT HAVE  
28 BEEN DESIGNATED BY THE DEPARTMENT OF EDUCATION AS LOW-  
29 ACHIEVING SCHOOLS.

30 (4) NOTICE THAT A PARENT MUST DIRECTLY CONTACT A SCHOOL

1 DISTRICT OF A PARTICIPATING PUBLIC SCHOOL OR A PARTICIPATING  
2 NONPUBLIC SCHOOL IF THE PARENT SEEKS TO ENROLL THE STUDENT IN  
3 THE OPPORTUNITY SCHOLARSHIP PROGRAM.

4 (D) NOTIFICATION TO PARENTS.--

5 (1) WITHIN 15 DAYS OF RECEIPT OF A NOTIFICATION UNDER  
6 SUBSECTION (B), A SCHOOL DISTRICT SHALL NOTIFY THE PARENTS OF  
7 EACH STUDENT WHO IS CURRENTLY ATTENDING OR RESIDING WITHIN  
8 THE ATTENDANCE BOUNDARY OF A LOW-ACHIEVING SCHOOL DURING THE  
9 SCHOOL YEAR OF THE SCHOOL'S DESIGNATION.

10 (2) UPON REGISTRATION OF A KINDERGARTEN STUDENT, A  
11 SCHOOL DISTRICT SHALL NOTIFY THE PARENTS OF THE KINDERGARTEN  
12 STUDENT THAT THE STUDENT WILL BE ASSIGNED TO A LOW-ACHIEVING  
13 SCHOOL DURING THE SCHOOL YEAR OF THE SCHOOL'S DESIGNATION.

14 (3) THE NOTICE SHALL BE IN A FORM PROVIDED BY THE  
15 DEPARTMENT OF EDUCATION AND SHALL PROVIDE THE FOLLOWING  
16 INFORMATION REGARDING THE OPPORTUNITY SCHOLARSHIP PROGRAM:

17 (I) A DESCRIPTION OF THE OPPORTUNITY SCHOLARSHIP  
18 PROGRAM.

19 (II) INSTRUCTIONS FOR OBTAINING INFORMATION ABOUT  
20 APPLYING FOR AN OPPORTUNITY SCHOLARSHIP UNDER THE  
21 OPPORTUNITY SCHOLARSHIP PROGRAM.

22 (III) NOTICE OF THE PARENT'S RESPONSIBILITIES WITH  
23 REGARD TO APPLYING TO A SCHOOL DISTRICT OF A  
24 PARTICIPATING PUBLIC SCHOOL OR A PARTICIPATING NONPUBLIC  
25 SCHOOL IF THE PARENT SEEKS TO ENROLL THE STUDENT IN THE  
26 OPPORTUNITY SCHOLARSHIP PROGRAM.

27 (E) AVERAGE DAILY MEMBERSHIP.--

28 (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
29 CONTRARY, A RECIPIENT WHO WAS ENROLLED IN THE RECIPIENT'S  
30 RESIDENT SCHOOL DISTRICT OR IN A CHARTER SCHOOL, REGIONAL



1 CHARTER SCHOOL OR CYBER CHARTER SCHOOL WHEN THE RECIPIENT  
2 FIRST RECEIVED AN OPPORTUNITY SCHOLARSHIP SHALL CONTINUE TO  
3 BE COUNTED IN THE AVERAGE DAILY MEMBERSHIP OF THE SCHOOL  
4 DISTRICT FOR A PERIOD OF ONE YEAR AFTER ENROLLING IN A  
5 PARTICIPATING PUBLIC SCHOOL OR A PARTICIPATING NONPUBLIC  
6 SCHOOL.

7 (2) DURING THE YEAR REFERENCED IN PARAGRAPH (1) AND EACH  
8 SCHOOL YEAR THEREAFTER, A SCHOOL DISTRICT OF A PARTICIPATING  
9 PUBLIC SCHOOL IN WHICH THE RECIPIENT IS ENROLLED SHALL NOT  
10 INCLUDE THE RECIPIENT IN THE SCHOOL DISTRICT'S AVERAGE DAILY  
11 MEMBERSHIP.

12 SECTION 2011-B. SCHOOL PARTICIPATION IN PROGRAM.

13 (A) ELECTION.--

14 (1) BY FEBRUARY 15 OF EACH YEAR, A NONPUBLIC SCHOOL MAY  
15 ELECT TO PARTICIPATE IN THE OPPORTUNITY SCHOLARSHIP PROGRAM  
16 FOR THE FOLLOWING SCHOOL YEAR.

17 (2) BY FEBRUARY 15 OF EACH YEAR, A SCHOOL DISTRICT MAY  
18 ELECT TO PARTICIPATE IN THE OPPORTUNITY SCHOLARSHIP PROGRAM  
19 FOR THE FOLLOWING SCHOOL YEAR.

20 (B) NOTICE.--

21 (1) A SCHOOL DISTRICT OR NONPUBLIC SCHOOL THAT ELECTS TO  
22 PARTICIPATE UNDER SUBSECTION (A) MUST NOTIFY THE DEPARTMENT  
23 OF EDUCATION OF THE DISTRICT'S OR NONPUBLIC SCHOOL'S INTENT  
24 TO PARTICIPATE.

25 (2) FOR A SCHOOL DISTRICT, THE NOTICE UNDER PARAGRAPH  
26 (1) MUST BE SUBMITTED ON A FORM DEVELOPED BY THE DEPARTMENT  
27 OF EDUCATION AND SHALL SPECIFY ALL OF THE FOLLOWING:

28 (I) EACH SCHOOL WITHIN THE SCHOOL DISTRICT WHICH THE  
29 SCHOOL DISTRICT INTENDS TO MAKE A PARTICIPATING PUBLIC  
30 SCHOOL.

1           (II) THE AMOUNT OF TUITION AND SCHOOL-RELATED FEES  
2           ATTRIBUTABLE TO EACH AVAILABLE SEAT. THE AMOUNT UNDER  
3           THIS SUBPARAGRAPH SHALL NOT EXCEED THE AMOUNT CALCULATED  
4           UNDER SECTION 2561.

5           (3) FOR A NONPUBLIC SCHOOL, THE NOTICE UNDER PARAGRAPH  
6           (1) MUST BE SUBMITTED ON A FORM DEVELOPED BY THE DEPARTMENT  
7           OF EDUCATION AND SHALL SPECIFY THE AMOUNT OF TUITION AND  
8           SCHOOL-RELATED FEES ATTRIBUTABLE TO AN AVAILABLE SEAT.

9           (C) TUITION RATES.--

10           (1) NO SCHOOL DISTRICT OF A PARTICIPATING PUBLIC SCHOOL  
11           OR PARTICIPATING NONPUBLIC SCHOOL MAY CHARGE A RECIPIENT A  
12           HIGHER TUITION RATE OR SCHOOL-RELATED FEE THAN THE SCHOOL  
13           DISTRICT OF THE PARTICIPATING PUBLIC SCHOOL OR PARTICIPATING  
14           NONPUBLIC SCHOOL WOULD HAVE CHARGED TO A SIMILARLY SITUATED  
15           STUDENT WHO IS NOT RECEIVING AN OPPORTUNITY SCHOLARSHIP.

16           (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 2561, A  
17           SCHOOL DISTRICT OF A PARTICIPATING PUBLIC SCHOOL MAY CHARGE A  
18           RECIPIENT A TUITION RATE THAT IS LOWER THAN THAT CHARGED TO  
19           STUDENTS WHO ARE NOT RECIPIENTS OF OPPORTUNITY SCHOLARSHIPS.

20           (D) PARTICIPATING PUBLIC SCHOOL CRITERIA.--THE FOLLOWING  
21           CRITERIA APPLY TO A PARTICIPATING PUBLIC SCHOOL:

22           (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, A  
23           SCHOOL DISTRICT SHALL ENROLL STUDENTS IN A PARTICIPATING  
24           PUBLIC SCHOOL ON A LOTTERY BASIS FROM A POOL OF RECIPIENTS  
25           WHO MEET THE APPLICATION DEADLINE SET BY THE DEPARTMENT OF  
26           EDUCATION UNTIL THE PARTICIPATING PUBLIC SCHOOL FILLS THE  
27           SCHOOL'S AVAILABLE SEATS. THE POOL MAY NOT INCLUDE A  
28           RECIPIENT WHO:

29           (I) HAS BEEN EXPELLED OR IS IN THE PROCESS OF BEING  
30           EXPELLED UNDER SECTION 1317.2 OR 1318 AND APPLICABLE

1 REGULATIONS OF THE STATE BOARD OF EDUCATION.

2 (II) HAS BEEN RECRUITED BY THE SCHOOL DISTRICT OR  
3 ITS REPRESENTATIVES FOR ATHLETIC PURPOSES.

4 (2) THE ENROLLMENT OF RECIPIENTS MAY NOT PLACE THE  
5 SCHOOL DISTRICT IN VIOLATION OF A VALID AND BINDING  
6 DESEGREGATION ORDER.

7 (3) PRIORITY SHALL BE GIVEN TO:

8 (I) AN EXISTING RECIPIENT.

9 (II) A RECIPIENT WHO IS A SIBLING OF A STUDENT  
10 CURRENTLY ENROLLED IN THE SCHOOL DISTRICT.

11 (E) PARTICIPATING NONPUBLIC SCHOOL CRITERIA.--THE FOLLOWING  
12 CRITERIA APPLY TO A PARTICIPATING NONPUBLIC SCHOOL:

13 (1) THE PARTICIPATING NONPUBLIC SCHOOL MAY NOT  
14 DISCRIMINATE ON A BASIS WHICH IS ILLEGAL UNDER FEDERAL OR  
15 STATE LAWS APPLICABLE TO NONPUBLIC SCHOOLS.

16 (2) THE PARTICIPATING NONPUBLIC SCHOOL SHALL COMPLY WITH  
17 SECTION 1521.

18 (3) THE PARTICIPATING NONPUBLIC SCHOOL OR ITS  
19 REPRESENTATIVES MAY NOT RECRUIT A STUDENT FOR ATHLETIC  
20 PURPOSES.

21 (F) STUDENT RULES, POLICIES AND PROCEDURES.--

22 (1) PRIOR TO ENROLLMENT OF A RECIPIENT, A SCHOOL  
23 DISTRICT OF A PARTICIPATING PUBLIC SCHOOL OR A PARTICIPATING  
24 NONPUBLIC SCHOOL SHALL INFORM THE PARENT OF A RECIPIENT OF  
25 ANY AND ALL RULES, POLICIES AND PROCEDURES OF THE  
26 PARTICIPATING PUBLIC SCHOOL OR PARTICIPATING NONPUBLIC  
27 SCHOOL, INCLUDING ANY ACADEMIC POLICIES, DISCIPLINARY RULES  
28 AND ADMINISTRATIVE PROCEDURES OF THE PARTICIPATING PUBLIC  
29 SCHOOL OR PARTICIPATING NONPUBLIC SCHOOL.

30 (2) ENROLLMENT OF A RECIPIENT IN A PARTICIPATING PUBLIC

1 SCHOOL OR PARTICIPATING NONPUBLIC SCHOOL SHALL CONSTITUTE  
2 ACCEPTANCE OF ANY RULES, POLICIES AND PROCEDURES OF THE  
3 PARTICIPATING PUBLIC SCHOOL OR PARTICIPATING NONPUBLIC  
4 SCHOOL.

5 (G) TRANSPORTATION.--

6 (1) TRANSPORTATION OF RECIPIENTS SHALL BE PROVIDED UNDER  
7 SECTION 1361.

8 (2) REIMBURSEMENT SHALL BE AS FOLLOWS:

9 (I) TRANSPORTATION OF A RECIPIENT ATTENDING A  
10 PARTICIPATING PUBLIC SCHOOL SHALL BE SUBJECT TO  
11 REIMBURSEMENT UNDER SECTION 2541.

12 (II) TRANSPORTATION OF A RECIPIENT ATTENDING A  
13 PARTICIPATING NONPUBLIC SCHOOL SHALL BE SUBJECT TO  
14 REIMBURSEMENT UNDER SECTIONS 2509.3 AND 2541.

15 (H) CONSTRUCTION.--NOTHING IN THIS ARTICLE SHALL BE  
16 CONSTRUED TO:

17 (1) PROHIBIT A PARTICIPATING NONPUBLIC SCHOOL FROM  
18 LIMITING ADMISSION TO A PARTICULAR GRADE LEVEL, A SINGLE  
19 GENDER OR AREAS OF CONCENTRATION OF THE PARTICIPATING  
20 NONPUBLIC SCHOOL, INCLUDING MATHEMATICS, SCIENCE AND THE  
21 ARTS.

22 (2) AUTHORIZE THE COMMONWEALTH OR ANY OF ITS AGENCIES OR  
23 OFFICERS OR POLITICAL SUBDIVISIONS TO IMPOSE ANY ADDITIONAL  
24 REQUIREMENTS ON A PARTICIPATING NONPUBLIC SCHOOL WHICH ARE  
25 NOT OTHERWISE AUTHORIZED UNDER THE LAWS OF THIS COMMONWEALTH  
26 OR TO REQUIRE A PARTICIPATING NONPUBLIC SCHOOL TO ENROLL A  
27 RECIPIENT IF THE PARTICIPATING NONPUBLIC SCHOOL DOES NOT  
28 OFFER APPROPRIATE PROGRAMS OR IS NOT STRUCTURED OR EQUIPPED  
29 WITH THE NECESSARY FACILITIES TO MEET THE SPECIAL NEEDS OF  
30 THE RECIPIENT OR DOES NOT OFFER A PARTICULAR PROGRAM

1 REQUESTED.

2 SECTION 2012-B. TUITION GRANTS BY SCHOOL DISTRICTS.

3 (A) GENERAL RULE.--THE BOARD OF SCHOOL DIRECTORS OF A SCHOOL  
4 DISTRICT MAY USE FUNDS RECEIVED FROM THE COMMONWEALTH FOR  
5 EDUCATIONAL PURPOSES TO ESTABLISH A PROGRAM OF TUITION GRANTS TO  
6 PROVIDE FOR THE EDUCATION OF STUDENTS WHO RESIDE WITHIN THE  
7 DISTRICT AND ATTEND OR WILL ATTEND A PUBLIC OR NONPUBLIC SCHOOL  
8 ON A TUITION-PAYING BASIS.

9 (B) NONPUBLIC SCHOOL GRANT AMOUNT.--FOR STUDENTS WHO ATTEND  
10 OR WILL ATTEND A NONPUBLIC SCHOOL, THE GRANT AMOUNT FOR EACH  
11 STUDENT SHALL NOT EXCEED THE AMOUNT OF THE PER PUPIL STATE  
12 SUBSIDY FOR BASIC EDUCATION OF THE SCHOOL DISTRICT OF RESIDENCE.

13 (C) AVERAGE DAILY MEMBERSHIP.--

14 (1) A STUDENT WHO RECEIVES A TUITION GRANT UNDER THIS  
15 SECTION SHALL BE INCLUDED IN THE AVERAGE DAILY MEMBERSHIP FOR  
16 PURPOSES OF DETERMINING THE SCHOOL DISTRICT OF RESIDENCE'S  
17 BASIC EDUCATION FUNDING.

18 (2) A STUDENT WHO RECEIVES A GRANT UNDER THIS SECTION TO  
19 ATTEND A PUBLIC SCHOOL OUTSIDE THE SCHOOL DISTRICT AWARDING  
20 THE TUITION GRANT SHALL NOT BE INCLUDED IN THE AVERAGE DAILY  
21 MEMBERSHIP OF THE SCHOOL DISTRICT THE STUDENT ATTENDS.

22 (D) GUIDELINES.--

23 (1) THE BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT  
24 SHALL PREPARE GUIDELINES ON ALL THE FOLLOWING:

25 (I) ESTABLISHMENT OF AN APPLICATION FORM AND  
26 APPROVAL PROCESS.

27 (II) STANDARDS FOR VERIFICATION OF THE ACCURACY OF  
28 APPLICATION INFORMATION.

29 (III) CONFIRMATION OF ATTENDANCE BY A STUDENT WHO  
30 RECEIVES A TUITION GRANT.

1           (IV) RESTRICTIVE ENDORSEMENT OF GRANT CHECKS BY  
2           PARENTS TO THE SCHOOL CHOSEN BY THE PARENTS.

3           (V) PRO RATA REFUNDS OF GRANTS FOR STUDENTS WHO  
4           WITHDRAW DURING THE SCHOOL YEAR.

5           (VI) REPAYMENT OF REFUNDED GRANTS TO THE SCHOOL  
6           DISTRICT.

7           (VII) REASONABLE DEADLINE DATES FOR SUBMISSION OF  
8           GRANT APPLICATIONS.

9           (2) THE BOARD OF SCHOOL DIRECTORS OF A SCHOOL SHALL  
10          ANNOUNCE THE AWARD OF GRANTS NO LATER THAN AUGUST 1 OF THE  
11          SCHOOL YEAR IN WHICH THE GRANTS WILL BE UTILIZED.

12          (3) UPON RECEIPT OF WRITTEN CONFIRMATION OF ENROLLMENT  
13          FROM THE STUDENT'S SCHOOL OF CHOICE, GRANTS SHALL BE PAID TO  
14          THE PARENTS OF A STUDENT BY A CHECK THAT MAY ONLY BE ENDORSED  
15          TO THE SELECTED SCHOOL.

16          (4) IN THE EVENT A STUDENT IS NO LONGER ENROLLED PRIOR  
17          TO THE COMPLETION OF THE SCHOOL TERM, THE SCHOOL SHALL SEND  
18          WRITTEN NOTICE TO THE SCHOOL DISTRICT.

19          (E) NONTAXABLE.--GRANTS AWARDED TO STUDENTS UNDER THIS  
20          SECTION SHALL NOT:

21          (1) BE CONSIDERED TAXABLE INCOME FOR PURPOSES OF A LOCAL  
22          TAXING ORDINANCE OR FOR PURPOSES OF ARTICLE III OF THE TAX  
23          REFORM CODE OF 1971.

24          (2) CONSTITUTE FINANCIAL ASSISTANCE OR APPROPRIATIONS TO  
25          THE SCHOOL ATTENDED BY THE STUDENT.

26          (F) CONSTRUCTION.--NOTHING IN THIS SECTION SHALL BE  
27          CONSTRUED TO EMPOWER THE COMMONWEALTH OR A SCHOOL DISTRICT OR  
28          ANY OF THEIR AGENCIES OR OFFICERS TO DO ANY OF THE FOLLOWING:

29          (1) PRESCRIBE THE COURSE CONTENT OR ADMISSIONS CRITERIA  
30          FOR ANY RELIGIOUSLY AFFILIATED SCHOOL.

1           (2) COMPEL ANY PRIVATE SCHOOL TO ACCEPT OR ENROLL A  
2           STUDENT.

3           (3) IMPOSE ANY ADDITIONAL REQUIREMENTS ON ANY PRIVATE  
4           SCHOOL THAT ARE NOT OTHERWISE AUTHORIZED.

5           (4) REQUIRE ANY SCHOOL TO ACCEPT OR RETAIN A STUDENT IF  
6           THE SCHOOL DOES NOT OFFER PROGRAMS OR IS NOT STRUCTURED OR  
7           EQUIPPED WITH THE NECESSARY FACILITIES TO MEET THE SPECIAL  
8           NEEDS OF THE STUDENT OR DOES NOT OFFER A PARTICULAR PROGRAM  
9           REQUESTED.

10 SECTION 2013-B. ORIGINAL JURISDICTION.

11           THE PENNSYLVANIA SUPREME COURT SHALL HAVE EXCLUSIVE AND  
12           ORIGINAL JURISDICTION TO HEAR A CHALLENGE OR TO RENDER A  
13           DECLARATORY JUDGMENT CONCERNING THE CONSTITUTIONALITY OF THIS  
14           ARTICLE. THE PENNSYLVANIA SUPREME COURT MAY TAKE SUCH ACTION AS  
15           THE COURT DEEMS APPROPRIATE, CONSISTENT WITH THE PENNSYLVANIA  
16           SUPREME COURT'S RETAINING JURISDICTION OVER SUCH A MATTER, TO  
17           FIND FACTS OR TO EXPEDITE A FINAL JUDGMENT IN CONNECTION WITH A  
18           CHALLENGE OR REQUEST FOR DECLARATORY RELIEF.

19           Section 28. Section 2603-B of the act is amended by adding a  
20 subsection to read:

21           Section 2603-B. Powers and Duties of the Board.--\* \* \*

22           (1) Notwithstanding any other provision of law to the  
23           contrary, the board shall require that each regulation prepared  
24           by the Council of Basic Education or the Council of Higher  
25           Education under section 2604-B and promulgated by the board  
26           under the act of June 25, 1982 (P.L.633, No.181), known as the  
27           "Regulatory Review Act," includes, in so far as the regulation  
28           relates to costs to the Commonwealth, the fiscal note prepared  
29           by the Office of the Budget pursuant to section 612 of the act  
30           of April 9, 1929 (P.L.177, No.175), known as "The Administrative

1 Code of 1929."

2 Section 29. Repeals are as follows:

3 ~~(1) The General Assembly finds that the repeal under <--~~  
4 ~~paragraph (2) is necessary for the addition of Article XIX G~~  
5 ~~of the act.~~

6 ~~(2) Article XVII E.1 of the act of April 9, 1929~~  
7 ~~(P.L.343, No.176), known as The Fiscal Code, is repealed.~~

8 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER <--  
9 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF  
10 ARTICLE XX-B OF THE ACT.

11 (2) ARTICLE XVII-F OF THE ACT OF MARCH 4, 1971 (P.L.6,  
12 NO.2), KNOWN AS THE TAX REFORM CODE OF 1971, IS REPEALED.

13 ~~Section 30. The addition of Article XIX G of the act is a <--~~  
14 ~~continuation of former Article XVII E.1 of the act of April 9,~~  
15 ~~1929 (P.L.343, No.176), known as The Fiscal Code. The following~~  
16 ~~apply:~~

17 ~~(1) Except as otherwise provided in Article XIX G of the~~  
18 ~~act, all activities initiated under former Article XVII E.1~~  
19 ~~of The Fiscal Code shall continue and remain in full force~~  
20 ~~and effect and may be completed under Article XIX G of the~~  
21 ~~act. Orders, regulations, rules and decisions which were made~~  
22 ~~under former Article XVII E.1 of The Fiscal Code and which~~  
23 ~~are in effect on the effective date of this section shall~~  
24 ~~remain in full force and effect until revoked, vacated or~~  
25 ~~modified under Article XIX G of the act. Contracts,~~  
26 ~~obligations and collective bargaining agreements entered into~~  
27 ~~under former Article XVII E.1 of The Fiscal Code are not~~  
28 ~~affected nor impaired by the repeal of former Article XVII~~  
29 ~~E.1 of The Fiscal Code.~~

30 ~~(2) Except as set forth in paragraph (3), any difference~~



1 ~~in language between Article XIX G of the act and former~~  
2 ~~Article XVII E.1 of The Fiscal Code is intended only to~~  
3 ~~conform to the style of the Public School Code of 1949 and is~~  
4 ~~not intended to change or affect the legislative intent,~~  
5 ~~judicial construction or administration and implementation of~~  
6 ~~former Article XVII E.1 of The Fiscal Code.~~

7 ~~(3) Paragraph (2) does not apply to the addition of the~~  
8 ~~following provisions:~~

9 ~~(i) Sections 1901.1 G and 1901.2 G of the act.~~

10 ~~(ii) The reference to October 30, 2016, in section~~  
11 ~~1906 G(a) of the act.~~

12 ~~(4) Any reference in any act to former Article XVII E.1~~  
13 ~~of the act of April 9, 1929 (P.L.343, No.176), known as The~~  
14 ~~Fiscal Code, shall be considered to be a reference to Article~~  
15 ~~XIX G of the act of March 10, 1949 (P.L.30, No.14), known as~~  
16 ~~the Public School Code of 1949.~~

17 ~~Section 31. This act shall take effect as follows:~~

18 ~~(1) The amendment or addition of sections 510.2, 1204,~~  
19 ~~1204.2, 1401, 1414.3, 1414.4, 1414.5, 1414.6, 1414.7, 1414.8,~~  
20 ~~1525, 1602 B, 1611 B, 1613 B, 1703 A, 1715 A, 1716 A, 1716.1~~  
21 ~~A, 1717 A, 1719 A, 1720 A, 1721 A, 1722 A, 1723 A, 1728 A,~~  
22 ~~1729 A, 1729.1 A, 1729.2 A, 1733 A, 1741 A, 1742 A, 1743 A,~~  
23 ~~1744 A and 1745 A of the act shall take effect in 60 days.~~

24 ~~(2) The remainder of this act shall take effect~~  
25 ~~immediately.~~

26 SECTION 30. THE ADDITION OF ARTICLE XX-B OF THE ACT IS A <--  
27 CONTINUATION OF ARTICLE XVII-F OF THE ACT OF MARCH 4, 1971  
28 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE OF 1971. EXCEPT AS  
29 OTHERWISE PROVIDED IN ARTICLE XX-B OF THE ACT, ALL ACTIVITIES  
30 INITIATED UNDER ARTICLE XVII-F OF THE TAX REFORM CODE OF 1971

1 SHALL CONTINUE AND REMAIN IN FULL FORCE AND EFFECT AND MAY BE  
2 COMPLETED UNDER ARTICLE XX-B OF THE ACT. ORDERS, REGULATIONS,  
3 RULES AND DECISIONS WHICH WERE MADE UNDER XVII-F OF THE TAX  
4 REFORM CODE OF 1971 AND WHICH ARE IN EFFECT ON THE EFFECTIVE  
5 DATE OF SECTION 29(2) OF THIS ACT SHALL REMAIN IN FULL FORCE AND  
6 EFFECT UNTIL REVOKED, VACATED OR MODIFIED UNDER ARTICLE XX-B OF  
7 THE ACT.

8 SECTION 31. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

9 (1) THE AMENDMENT OR ADDITION OF SECTIONS 1204, 1204.2  
10 AND 1704-A OF THE ACT SHALL TAKE EFFECT IN 60 DAYS.

11 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT  
12 IMMEDIATELY.