

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 27 Session of 2021

INTRODUCED BY L. WILLIAMS, BREWSTER, FONTANA, SANTARSIERO,  
KEARNEY, KANE, SAVAL, COSTA AND MUTH, MARCH 10, 2021

REFERRED TO EDUCATION, MARCH 10, 2021

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," in preliminary provisions, providing  
6 for advertising; in terms and courses of study, further  
7 providing for agreements with institutions of higher  
8 education; in opportunities for educational excellence,  
9 further providing for responsibilities of school entities; in  
10 charter schools, further providing for definitions and for  
11 powers of charter schools, providing for powers of  
12 authorizers, further providing for charter school  
13 requirements, for powers of board of trustees, for  
14 establishment of charter school, for contents of application  
15 and for term and form of charter, providing for charter  
16 amendments, further providing for State Charter School Appeal  
17 Board, for facilities, for enrollment, for school staff and  
18 for funding for charter schools, providing for funding for  
19 cyber charter schools, further providing for tort liability,  
20 for annual reports and assessments, for causes for nonrenewal  
21 or termination and for multiple charter school organizations,  
22 providing for accountability matrix, further providing for  
23 provisions applicable to charter schools, for powers and  
24 duties of department, for cyber charter school requirements  
25 and prohibitions, for school district and intermediate unit  
26 responsibilities and for establishment of cyber charter  
27 school, providing for cyber charter amendments, further  
28 providing for State Charter School Appeal Board review, for  
29 cyber charter school application and for enrollment and  
30 notification, providing for enrollment parameters, further  
31 providing for applicability of other provisions of this act  
32 and of other acts and regulations, for effect on certain  
33 existing charter schools, and for regulations, and providing  
34 for cyber charter school moratorium; and, in reimbursements

1 by Commonwealth and between school districts, further  
2 providing for approved reimbursable annual rental for leases  
3 of buildings or portions of buildings for charter school use;  
4 and providing for applicability.

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

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

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

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

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

24 Section 1525. Agreements with Institutions of Higher  
25 Education.--(a) Notwithstanding any other provision of law to  
26 the contrary, a school district, charter school, regional  
27 charter school, cyber charter school or area career and  
28 technical school may enter into an agreement with one or more  
29 institutions of higher education approved to operate in this  
30 Commonwealth in order to allow [**resident**] students to attend  
31 such institutions of higher education while the [**resident**]  
32 students are enrolled in the school district, charter school,

1 regional charter school, cyber charter school or area career and  
2 technical school. The agreement may be structured so that high  
3 school students may receive credits toward completion of courses  
4 at the school district, charter school, regional charter school,  
5 cyber charter school or area career and technical school and at  
6 institutions of higher education approved to operate in this  
7 Commonwealth.

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

14 (c) If the cost of the higher education tuition, fees and  
15 textbooks are paid by the student of any charter school,  
16 regional charter school or cyber charter school, the amount paid  
17 for the tuition, fees and textbooks shall be deducted from the  
18 school district of residence's payment under section 1725-A or  
19 1725.1-A to the charter school, regional charter school or cyber  
20 charter school.

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

25 (e) Notwithstanding any provision of law to the contrary, if  
26 a school district's payment to a charter school, regional  
27 charter school or cyber charter school under section 1725-A or  
28 1725.1-A is greater than the cost of tuition, fees and textbooks  
29 paid by the charter school, regional charter school or cyber  
30 charter school multiplied by the number of higher education

1 courses a student is enrolled in, the school district's payment  
2 under section 1725-A or 1725.1-A shall be reduced by the  
3 difference.

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

6 Section 1611-B. Responsibilities of school entities.

7 \* \* \*

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

15 Section 4. Section 1703-A of the act, amended October 30,  
16 2019 (P.L.460, No.76), is amended to read:

17 Section 1703-A. Definitions.--[As] Unless the context  
18 clearly indicates otherwise, as used in this article,

19 "Accountability matrix" shall mean an annual report by the  
20 department to evaluate the academic performance, operations,  
21 governance and financial management of charter school entities.

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

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

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

29 (3) for a cyber charter school, the aid ratio and market  
30 value/income aid ratio shall be that of the school district in

1 which the administrative offices of the cyber charter school are  
2 located.

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

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

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

11 (1) A board of school directors.

12 (2) A board of education of a school district.

13 (3) The department, for a cyber charter school.

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

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

23 "Charter school foundation" shall mean a nonprofit  
24 organization qualified as Federally tax exempt under section  
25 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-  
26 514, 26 U.S.C. § 501(c)(3)), that provides funding or resources  
27 or otherwise serves to support a charter school entity, either  
28 directly or through an affiliated entity.

29 "Chief executive officer" shall mean an individual appointed  
30 by the board of trustees to oversee and manage the operation of

1 the charter school, but who shall not be deemed a professional  
2 staff member under this article.

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

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

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

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

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

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

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

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

6 (1) Name change of a charter school or cyber charter school.

7 (2) Change in building location or addition of a new  
8 facility.

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

11 (4) Change to curriculum provider.

12 (5) Change to mission or educational plan.

13 (6) Change to grade levels served.

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

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

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

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

29 "School district of residence" shall mean the school district  
30 in this Commonwealth in which the parents or guardians of a

1 child reside.

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

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

6 "State board" shall mean the State Board of Education of the  
7 Commonwealth.

8 Section 5. Section 1714-A of the act is amended to read:

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

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

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

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

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

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

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

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

28 (6.1) Incur debt for the construction of school facilities.

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

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

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

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

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

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

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

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

29 (3) Access documents, systems and facilities of the charter  
30 school and any related charter school foundation or education

1 management service provider promptly after requests concerning  
2 documents, systems and facilities are submitted to the charter  
3 school, charter school foundation or education management  
4 service provider.

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

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

12 (1) Grant or deny new charter applications.

13 (2) Execute, amend, renew, revoke or nonrenew charter  
14 agreements.

15 (3) Oversee and monitor cyber charter schools as set forth  
16 in subsection (a).

17 Section 7. Sections 1715-A and 1716-A of the act are amended  
18 to read:

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

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

29 (2) A charter school entity shall be accountable to the  
30 parents, guardians, families, the public, the authorizer of the

1 charter school and the Commonwealth, with the delineation of  
2 that accountability reflected in the [charter] charters.  
3 Strategies for meaningful parent, guardian, family and community  
4 involvement shall be developed and implemented by each [school]  
5 charter school or cyber charter school.

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

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

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

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

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

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

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

1 students.

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

6 (i) The following provisions of this act:

7 (A) Sections 751 and 751.1.

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

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

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

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

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

19 (11) Trustees of a charter school entity shall be public  
20 officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to  
21 ethics standards and financial disclosure), and each trustee  
22 shall file a statement of financial interests for the preceding  
23 calendar year with the board of trustees of the charter school  
24 entity, the State Ethics Commission and the authorizer of the  
25 charter school or cyber charter school not later than May 1 of  
26 each year that members hold the position and of the year after a  
27 member leaves the position. In the event that the trustee was  
28 appointed or selected after May 1, the trustee shall file a  
29 statement of financial interests in accordance with this clause  
30 within thirty (30) days of appointment or selection. All members

1 of the board of trustees of a charter school entity shall take  
2 the oath of office as required under section 321 before entering  
3 upon the duties of their office.

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

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

30 Section 1716-A. Powers and Composition of Board of

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

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

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

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

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

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

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

26 (2) The meeting agendas and the meeting minutes required  
27 under clause (1) shall remain posted on the charter school  
28 entity's publicly accessible Internet website, if one is  
29 maintained, for at least two (2) years after the meeting agendas  
30 and the meeting minutes were first posted. Nothing in this

1 section shall be construed to limit the charter school entity's  
2 obligations to comply with the act of February 14, 2008 (P.L.6,  
3 No.3), known as "the Right-to-Know Law," or any other Federal or  
4 State law requiring public disclosure.

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

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

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

17 (ii) If the individual is employed by either:

18 (A) the board of trustees or directors of a charter school  
19 foundation that supports the charter school entity; or

20 (B) the board of trustees or directors of an educational  
21 management service provider that contracts with the charter  
22 school entity.

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

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

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

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

24 (e) No member of the board of trustees of a charter school  
25 entity shall be compensated for duties on the board of trustees,  
26 except that the charter school entity may reimburse the members  
27 for reasonable expenses incurred in the performance of their  
28 duties. A report detailing the reasons for and amounts of  
29 reimbursements paid to each member of the board of trustees  
30 shall be made available upon request of any person, including in

1 response to a request under the "Right-to-Know Law."

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

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

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

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

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

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

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

29 (3) At least half of the members of the board of trustees  
30 shall be appointed or selected through a procedure that provides

1 for the appointment and selection of the members by the  
2 residents of the community served by the charter school entity.

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

15 Section 8. The act is amended by adding a section to read:

16 Section 1716.2-A. Agreements or Contracts with Educational  
17 Management Service Providers.--(a) A board of trustees of a  
18 charter school entity may enter into an agreement or contract  
19 with an educational management service provider to provide  
20 educational design, business services, comprehensive management  
21 or personnel functions or to implement its charter or charters.

22 The following apply:

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

27 (2) The educational management service provider may not  
28 provide business services to the charter school entity if it is  
29 also providing other services to the charter school entity under  
30 the agreement or contract unless the board of trustees has

1 established procedures to ensure that all individual payments to  
2 the educational management service provider are reviewed and  
3 authorized by an administrator of the charter school entity and  
4 the board of trustees of the charter school entity.

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

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

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

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

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

29 (8) An educational management service provider agreement or  
30 contract must provide that the educational management service

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

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

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

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

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

28 (13) Any employe or contractor assigned to the charter  
29 school entity by the educational management service provider  
30 must be individually identified, along with the employe's or

1 contractor's job functions, in the agreement or contract and in  
2 any invoice or billing statement, or the equivalent.

3 (14) The educational management service provider shall  
4 provide to the board of trustees of the charter school entity,  
5 upon request, a copy of any record relating to the services  
6 provided under the agreement or contract.

7 (b) Any educational management service provider that  
8 provides any service to a charter school entity:

9 (1) Is a local agency for the purpose of the act of February  
10 14, 2008 (P.L.6, No.3), known as the "Right-to-Know Law."

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

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

18 Section 9. Sections 1717-A, 1719-A and 1720-A of the act are  
19 amended to read:

20 Section 1717-A. Establishment of Charter School.--(a) A  
21 charter school may be established by an individual; one or more  
22 teachers who will teach at the proposed charter school; parents  
23 or guardians of students who will attend the charter school; any  
24 nonsectarian college, university or museum located in this  
25 Commonwealth; any nonsectarian corporation not-for-profit, as  
26 defined in 15 Pa.C.S. (relating to corporations and  
27 unincorporated associations); any corporation, association or  
28 partnership; or any combination thereof. A charter school may be  
29 established by creating a new school or by converting an  
30 existing public school or a portion of an existing public

1 school. No charter school shall be established or funded by and  
2 no charter shall be granted to any sectarian school, institution  
3 or other entity. No funds allocated or disbursed under this  
4 article shall be used to directly support instruction pursuant  
5 to section 1327.1.

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

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

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

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

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

21 (c) An application to establish a charter school shall be  
22 submitted to the local board of school directors of the district  
23 where the charter school will be located by [November 15]  
24 October 1 of the school year preceding the school year in which  
25 the charter school will be established except that for a charter  
26 school beginning in the 1997-1998 school year, an application  
27 must be received by July 15, 1997. In the 1997-1998 school year  
28 only, applications shall be limited to recipients of fiscal year  
29 1996-1997 Department of Education charter school planning  
30 grants.

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

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

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

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

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

30 (iii) The extent to which the application considers the

1 information requested in section 1719-A and conforms to the  
2 legislative intent outlined in section 1702-A.

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

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

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

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

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

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

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

22 (h) In the case of a review by the appeal board [of an  
23 application], a charter that is revoked or is not renewed, the  
24 appeal board shall [make its decision based on the criteria  
25 established in subsection (e) (2).] determine whether the  
26 decision to revoke or not renew the charter by the local board  
27 of directors was arbitrary and capricious. If the appeal board  
28 finds that the decision was arbitrary and capricious, the appeal  
29 board shall reverse the decision of the local board of  
30 directors. A decision by the appeal board under this subsection

1 or subsection (g) to grant, to renew or not to revoke a charter  
2 shall serve as a requirement for the local board of directors of  
3 a school district or school districts, as appropriate, to sign  
4 the written charter of the charter school as provided for in  
5 section 1720-A. Should the local board of directors fail to  
6 grant the application and sign the charter within ten (10) days  
7 of notice of reversal of the decision of the local board of  
8 directors, the charter shall be deemed to be approved and shall  
9 be signed by the [chairman] chairperson of the appeal board.

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

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

28 (3) Each person signing a petition to appeal denial of a  
29 charter under clause (2) shall declare that he or she is a  
30 resident of the school district which denied the charter

1 application and shall include his or her printed name;  
2 signature; address, including city, borough or township, with  
3 street and number, if any; and the date of signing. All pages  
4 shall be bound together. Additional pages of the petition shall  
5 be numbered consecutively. There shall be appended to the  
6 petition a statement that the local board of directors rejected  
7 the petition for a charter school, the names of all applicants  
8 for the charter, the date of denial by the board and the  
9 proposed location of the charter school. No resident may sign  
10 more than one petition relating to the charter school  
11 application within the sixty (60) days following denial of the  
12 application. The department shall develop a form to be used to  
13 petition for an appeal.

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

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

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

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

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

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

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

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

30 (5) If the required number of signatures are obtained within

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

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

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

27 (8) Not later than sixty (60) days following the review  
28 conducted pursuant to clause (6), the appeal board shall issue a  
29 written decision affirming or denying the appeal. If the appeal  
30 board has affirmed the decision of the local board of directors,

1 notice shall be provided to both parties.

2 (9) A decision of the appeal board to reverse the decision  
3 of the local board of directors shall serve as a requirement for  
4 the local board of directors of a school district or school  
5 districts, as appropriate, to grant the application and sign the  
6 written charter of the charter school as provided for in section  
7 1720-A. Should the local board of directors fail to grant the  
8 application and sign the charter within ten (10) days of notice  
9 of the reversal of the decision of the local board of directors,  
10 the charter shall be deemed to be approved and shall be signed  
11 by the [chairman] chairperson of the appeal board.

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

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

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

22 (1) The identification of the charter applicant.

23 (2) The name of the proposed charter school.

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

25 (4) The proposed governance structure of the charter school,  
26 including a description and method for the appointment or  
27 [election] selection of members of the board of trustees[.]; a  
28 copy of the articles of incorporation filed with the Department  
29 of State; a copy of the by-laws, operating agreement or  
30 equivalent document adopted by the applicant for the general

1 governance of the charter school; and an organization chart  
2 clearly presenting the proposed governance structure of the  
3 charter school, including lines of authority and reporting  
4 between the board of trustees, administrators, staff and any  
5 educational management service provider that will provide  
6 services to the charter school.

7 (4.1) A description of the roles and responsibilities of the  
8 board of trustees, administrators and any other entities,  
9 including a charter school foundation and any educational  
10 management service provider that will provide educational  
11 management services to the charter school, shown in the  
12 organization chart.

13 (4.2) Standards for board of trustees' performance,  
14 including compliance with all applicable laws, regulations and  
15 terms of the charter.

16 (4.3) If the charter school entity intends to contract with  
17 an educational management service provider for services, the  
18 charter school entity shall provide all of the following:

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

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

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

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

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

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

8 (E) Performance evaluation measures and time lines.

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

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

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

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

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

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

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

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

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

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

18 (9.1) A description of funds available to the charter school  
19 for planning and operation prior to receipt of funds pursuant to  
20 section 1725-A or 1725.1-A.

21 (10) Procedures which shall be established to review  
22 complaints of parents and guardians regarding the operation of  
23 the charter school.

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

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

1 charter school, including the length of the school day and  
2 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.

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] school'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 from participating in any  
12 extracurricular activity of that school district of residence:  
13 Provided, That the student is able to fulfill all of the  
14 requirements of participation in such activity and the charter  
15 school does not provide the same extracurricular activity. The  
16 school district of residence may charge the charter school  
17 entity a reasonable amount for a charter school student's  
18 participation in the school district's extracurricular activity,  
19 which amount shall not exceed the actual cost incurred by the  
20 school district for participation by its students in the  
21 activity. The charter school student shall not be required to  
22 pay any costs not also paid by a student enrolled in the school  
23 district for participation in the extracurricular activity.

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

1 required for all other staff.

2 (16) An official clearance statement regarding child injury  
3 or abuse from the Department of [Public Welfare] Human Services  
4 as required by 23 Pa.C.S. Ch. 63 Subch. [C.2 (relating to  
5 background checks for employment in schools)] C (relating to  
6 powers and duties of department) and section 111 for each member  
7 of the board of trustees of the charter school, each  
8 administrator and all individuals identified in the application  
9 who shall have direct contact with students[.] and a plan for  
10 satisfying the proper official clearance statement regarding  
11 child injury or abuse required for all other staff.

12 [(17) How the charter school will provide adequate liability  
13 and other appropriate insurance for the charter school, its  
14 employes and the board of trustees of the charter school.]

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

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

30 (20) Whether or not the charter school entity will seek

1 accreditation by a nationally recognized accreditation agency,  
2 including the Middle States Association of Colleges and Schools  
3 or another regional institutional accrediting agency recognized  
4 by the United States Department of Education or an equivalent  
5 Federally recognized body for charter school education.

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

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

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

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

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

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

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

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

29 (23) For applicants currently operating or managing charter  
30 school entities in this Commonwealth or other states,

1 information about the academic performance, accepted standards  
2 of fiscal management and audit requirements and governance and  
3 operations of the operating charter school entities for the  
4 three most recent school years for which information is  
5 available as well as academic performance, accepted standards of  
6 fiscal management and audit requirements and governance and  
7 operations for any closed charter school entities that the  
8 applicant had operated or managed in this Commonwealth or  
9 another state.

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

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

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

23 Section 1720-A. Term and Form of Charter.--(a) Upon  
24 approval of a charter application under section 1717-A, a  
25 written charter shall be developed which shall contain the  
26 provisions of the charter application, the terms and conditions  
27 agreed to by the parties, including the maximum authorized grade  
28 and enrollment provisions, and which shall be signed by the  
29 local board of school directors of a school district, by the  
30 local boards of school directors of a school district in the

1 case of a regional charter school or by the [chairman]  
2 chairperson of the appeal board pursuant to section 1717-A(i) (5)  
3 and the board of trustees of the charter school. This written  
4 charter, when duly signed by the local board of school directors  
5 of a school district, or by the local boards of school directors  
6 of a school district in the case of a regional charter school,  
7 and the charter school's board of trustees, shall act as legal  
8 authorization for the establishment of a charter school. This  
9 written charter shall be legally binding on both the local board  
10 of school directors of a school district and the charter  
11 school's board of trustees. Except as otherwise provided in  
12 [subsection (b)] subsections (b) and (c), the charter shall be  
13 for a period of no less than three (3) nor more than five (5)  
14 years and may be renewed for five (5) year periods upon  
15 reauthorization by the local board of school directors of a  
16 school district or the appeal board. A charter will be granted  
17 only for a school organized as a public, nonprofit corporation.

18 (b) (1) Notwithstanding subsection (a), a governing board  
19 of a school district [of the first class] may renew a charter  
20 for a period of at least one (1) year, but less than five years,  
21 if the board of school directors determines that:

22 (i) there is insufficient data concerning the charter  
23 school's:

24 (A) academic performance to adequately assess that  
25 performance [determines that an], including any performance  
26 targets as outlined in the charter;

27 (B) governance and operations; and

28 (C) accepted standards of fiscal management and audit  
29 requirements; and

30 (ii) additional [year of performance] data would yield

1 sufficient data to assist the governing board in its decision  
2 whether to renew the charter for a period of five (5) years.

3 (2) A [one-year] renewal pursuant to paragraph (1) shall not  
4 be considered an adjudication and may not be appealed to the  
5 State Charter School Appeal Board.

6 (3) A governing board of a school district [of the first  
7 class] does not have the authority to renew a charter for  
8 successive [one (1) year] periods of at least one (1) year but  
9 less than five (5) years.

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

18 Section 10. The act is amended by adding a section to read:

19 Section 1720.1-A. Charter Amendments.--(a) Except in cases  
20 of requests for expedited consideration of a charter amendment  
21 request as provided in subsection (h), a charter school desiring  
22 to amend a material term of its charter shall first submit a  
23 written proposal outlining the proposed amendment to the  
24 authorizer. Within sixty (60) days of submission of the written  
25 proposal, and at least ten (10) days before November 1 of the  
26 school year preceding the school year in which the charter  
27 school proposes to operate pursuant to the proposed amendment,  
28 the authorizer shall provide a written response to the charter  
29 school identifying the form and scope of the information  
30 necessary for review of the amendment request. At a minimum, the

1 scope of information to be submitted shall include all that  
2 information required when submitting a new charter application  
3 as specifically relevant to the component of the charter that  
4 the school seeks to amend.

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

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

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

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

28 (f) If the amendment request is granted, the charter  
29 school's written charter shall be supplemented or amended, as  
30 appropriate, to contain the provisions of the amendment request,

1 and the amended charter shall be signed by the authorizer and  
2 each member of the charter school's board of trustees. The  
3 amended charter, when duly signed, acts as legal authorization  
4 of the operation of the charter school in accordance with the  
5 amended charter. The amended charter is legally binding on the  
6 authorizer and the charter school and its board of trustees. The  
7 amended charter shall be effective for the remainder of the term  
8 of the charter.

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

20 (h) (1) In the event of an emergency as defined in section  
21 1703-A, a charter school may submit an expedited amendment  
22 request to the authorizer that includes:

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

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

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

28 (2) The authorizer shall provide a written response to the  
29 request for an expedited review that confirms whether an  
30 expedited review will be conducted and, if so, the information

1 that must be submitted by the charter school for the  
2 authorizer's review of the request. If the authorizer does not  
3 agree that an expedited review is necessary, the charter school  
4 shall submit its request pursuant to the procedures outlined in  
5 subsection (a). The determination to not grant an expedited  
6 review of the proposed charter amendment request shall not be  
7 appealable.

8 Section 11. Sections 1721-A, 1722-A, 1723-A, 1724-A and  
9 1725-A of the act are amended to read:

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

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

19 (2) A school board member.

20 (3) A certified teacher actively employed in a public  
21 school.

22 (4) A faculty member or administrative employe of an  
23 institution of higher education.

24 (5) A member of the business community.

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

26 The term of office of members of the appeal board, other than  
27 the secretary, shall be for a period of four (4) years or until  
28 a successor is appointed and qualified, except that, of the  
29 initial appointees, the Governor shall designate two (2) members  
30 to serve terms of two (2) years, two (2) members to serve terms

1 of three (3) years and two (2) members to serve terms of four  
2 (4) years. Any appointment to fill any vacancy shall be for the  
3 period of the unexpired term or until a successor is appointed  
4 and qualified.

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

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

16 (d) The department shall provide assistance and staffing for  
17 the appeal board. The Governor, through the Governor's General  
18 Counsel, shall provide such legal advice and assistance as the  
19 appeal board may require.

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

27 (f) If the appeal board determines that a party to an appeal  
28 under sections 1717-A(h) or (i), 1729-A(d), 1729.2-A(f) or 1746-  
29 A has engaged in arbitrary, dilatory, obdurate or vexatious  
30 conduct with respect to any application, revocation or renewal

1 decision, the appeal board is authorized to impose against the  
2 party the costs incurred by the appeal board, the department and  
3 the Office of General Counsel in hearing the appeal and may also  
4 impose reasonable counsel fees and other taxable costs against  
5 the party and in favor of the appropriate prevailing party in  
6 the appeal.

7 Section 1722-A. Facilities.--(a) A charter school may be  
8 located in an existing public school building, in a part of an  
9 existing public school building, in space provided on a  
10 privately owned site, in a public building or in any other  
11 suitable location.

12 (b) The charter school facility shall be exempt from public  
13 school facility regulations except those pertaining to the  
14 health or safety of the pupils.

15 (d) Notwithstanding any other provision of this act, a  
16 school district of the first class may, in its discretion,  
17 permit a charter school to operate its school at more than one  
18 location.

19 (e) (1) Notwithstanding the provisions of section 204 of  
20 the act of May 22, 1933 (P.L.853, No.155), known as The General  
21 County Assessment Law, all school property, real and personal,  
22 owned by any charter school[, cyber charter school] entity or an  
23 associated nonprofit foundation, or owned by a nonprofit  
24 corporation or nonprofit foundation and leased to a charter  
25 school[, cyber charter school] entity or associated nonprofit  
26 foundation at or below fair market value, that is occupied and  
27 used by any charter school[ or cyber charter school] entity for  
28 public school, recreation or any other purposes provided for by  
29 this act, shall be made exempt from every kind of State, county,  
30 city, borough, township or other real estate tax, including

1 payments in lieu of taxes established through agreement with the  
2 Commonwealth or any local taxing authority, as well as from all  
3 costs or expenses for paving, curbing, sidewalks, sewers or  
4 other municipal improvements, Provided, That any charter school  
5 [or cyber charter school] entity or owner of property leased to  
6 a charter school [or cyber charter school] entity may make a  
7 municipal improvement in a street on which its school property  
8 abuts or may contribute a sum toward the cost of the  
9 improvement.

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

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

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

23 Section 1723-A. [Enrollment] Admission and Enrollment  
24 Requirements.--(a) (1) All resident children in this  
25 Commonwealth who submit a completed enrollment form qualify for  
26 admission to a charter school within the provisions of  
27 subsection (b). If more students apply to the charter school  
28 than the number of attendance slots available in the school,  
29 then students must be selected on a random basis [from a pool of  
30 qualified] through a public lottery conducted under 65 Pa.C.S.

1 Ch. 7 (relating to open meetings). The lottery from a pool shall  
2 be comprised of eligible applicants meeting the established  
3 eligibility criteria and submitting an application by the  
4 deadline established by the charter school, except that the  
5 charter school may give preference in enrollment to a child of a  
6 parent who has actively participated in the development of the  
7 charter school and to siblings of students presently enrolled in  
8 the charter school or selected for enrollment during the public  
9 lottery. First preference shall be given to students who reside  
10 in the district or districts[.] in which the charter school is  
11 physically located or in which the regional charter school is  
12 chartered.

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

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

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

1 (b) (1) A charter school shall not discriminate in its  
2 admission policies or practices on the basis of intellectual  
3 ability, except as provided in paragraph (2), or athletic  
4 ability, measures of achievement or aptitude, status as a person  
5 with a disability, proficiency in the English language or any  
6 other basis that would be illegal if used by a school district.

7 (2) A charter school may limit admission to a particular  
8 grade level, a targeted population group composed of at-risk  
9 students, or areas of concentration of the school such as  
10 mathematics, science or the arts. A charter school may establish  
11 reasonable criteria to evaluate prospective students which shall  
12 be outlined in the school's charter.

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

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

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

30 (e) (1) A school district's obligation to make payments for

1 students enrolled in a charter school entity shall be governed  
2 by section 1725-A or 1725.1-A or, in the case of students who  
3 are below a school district's age of enrollment, by the terms of  
4 any charter or service contract between a school district and a  
5 charter school entity.

6 (2) Notwithstanding the requirements of clause (1), absent  
7 language to the contrary in a charter or service contract  
8 between a school district and a charter school entity, a school  
9 district shall not be obligated to fund a four-year-old  
10 kindergarten program or full-day kindergarten program if the  
11 school district has exercised its discretion to not offer these  
12 programs in its own schools.

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

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

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

24 (iii) The date the student will be enrolled.

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

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

30 (2) The standard enrollment form shall be made physically

1 available at each charter school, in a form that complies with  
2 Federal and State law, and posted on the publicly accessible  
3 Internet website of each charter school entity, if one is  
4 maintained. A charter school may accept the enrollment form via  
5 paper or electronic means.

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

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

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

25 (i) 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, the charter school; and

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

1 of the charter school.

2 (g) As used in this section, "eligible applicant" shall mean  
3 a student who is seeking to enter a grade level offered by the  
4 charter school entity and satisfies student residency  
5 requirements.

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

29 (b) Each charter application shall list the general  
30 qualifications needed to staff any noncertified positions.

1 Professional employes who do not hold appropriate Pennsylvania  
2 certification must present evidence that they:

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

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

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

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

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

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

29 (f) Temporary professional employes on leave from a school  
30 district may accrue tenure in the non-charter public school

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

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

17 (h) (1) Any temporary professional employe or professional  
18 employe who leaves employment at a charter school entity shall  
19 have the right to return to a comparable position for which the  
20 person is properly certified in the school entity which granted  
21 the leave of absence. In the case where a teacher has been  
22 dismissed by the charter school, the school entity which granted  
23 the leave of absence is to be provided by the charter school  
24 with the reasons for such dismissal at the time it occurs, a  
25 list of any witnesses who were relied on by the charter school  
26 in moving for dismissal, a description of and access to any  
27 physical evidence used by the charter school in moving for  
28 dismissal and a copy of any record developed at any dismissal  
29 proceeding conducted by the charter school. The record of any  
30 such hearing may be admissible in a hearing before the school

1 entity which granted the leave of absence. Nothing in this  
2 section shall affect the authority of the board of school  
3 directors to initiate proceedings under Article XI if the board  
4 determines that occurrences at the charter school leading to  
5 dismissal of a teacher constitute adequate and independent  
6 grounds for discipline under section 1122.

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

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

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

1 (k) Charter school entities shall use the approved rating  
2 tool required by section 1123 and published in 22 Pa. Code Ch.  
3 19 (relating to educator effectiveness rating tool) or an  
4 alternative tool approved by the department under section 1123  
5 to evaluate employes serving as principals or school leaders,  
6 classroom teachers and nonteaching professionals.

7 (l) As used in this section:

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

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

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

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

17 (2) For non-special education students, the charter school  
18 shall receive for each student enrolled no less than the  
19 [budgeted] total expenditure per average daily membership of the  
20 prior school year, as defined in section 2501(20), calculated  
21 using the school district's annual financial report filed under  
22 section 218, minus the [budgeted] revenues received by a school  
23 district under section 2599.6(a)(2) and expenditures of the  
24 school district of residence for Federal funds; prekindergarten  
25 and early intervention programs or other programs charter  
26 schools are ineligible to provide; payments to charter schools  
27 under this clause; General Fund revenues for tuition from  
28 patrons; and private grants, gifts and donations to the school  
29 district; nonpublic school programs; adult education programs;  
30 community/junior college programs; student transportation

1 services; [for] special education programs; facilities  
2 acquisition, construction and improvement services; and other  
3 financing uses, including debt service and fund transfers as  
4 provided in the Manual of Accounting and Related Financial  
5 Procedures for Pennsylvania School Systems established by the  
6 department. This amount shall be calculated by the department  
7 pursuant to clause (2.1) and paid by the school district of  
8 residence of each student.

9 (2.1) On or before April 30 of each school year, the  
10 department shall calculate and post on its publicly accessible  
11 Internet website the per-student amounts payable by a student's  
12 school district of residence under clause (2) using the school  
13 district's annual financial report filed under section 218 and  
14 the school district's average daily membership calculated under  
15 section 2501(3) and 22 Pa. Code § 329.3 (relating to  
16 computations), for the prior school year. The department shall  
17 also post on its publicly accessible Internet website each  
18 school district's average daily membership and the data from  
19 each school district's annual financial report as used to  
20 calculate the per-student amounts under this clause. Until the  
21 department calculates and posts the per-student amounts under  
22 this clause, the per-student amounts payable by a student's  
23 school district of residence shall be the per-student amounts  
24 calculated and posted by the department for the previous school  
25 year. The amounts calculated by the department are not subject  
26 to clause (6).

27 (2.2) The average daily membership used in calculating the  
28 amount due under clause (2) shall not include the average daily  
29 membership of the school district's resident students enrolled  
30 in charter schools.

1 (3) For special education students, the charter school shall  
2 receive for each student enrolled the same funding as for each  
3 non-special education student as provided in clause (2), [plus  
4 an additional amount determined by dividing the district of  
5 residence's total special education expenditure by the product  
6 of multiplying the combined percentage of section 2509.5(k)  
7 times the district of residence's total average daily membership  
8 for the prior school year. This] adjusted by the multiplier for  
9 each category as set forth in section 2509.5 for each special  
10 education student for whom the annual expenditure is in Category  
11 1 as reported to the department under section 1372(8); for each  
12 special education student for whom the annual expenditure is in  
13 Category 2 as reported to the department under section 1372(8);  
14 and for each special education student for whom the annual  
15 expenditure is in Category 3 as reported to the department under  
16 section 1372(8). For purposes of this clause, Category 3 shall  
17 be the sum of students reported in Categories 3A and 3B under  
18 section 1372(8). The per-student amount for each Category 1,  
19 Category 2 and Category 3 student shall be calculated by the  
20 department and posted on its publicly accessible Internet  
21 website and shall be paid by the school district of residence of  
22 each student. The amounts calculated by the department are not  
23 subject to clause (6).

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

1 intermediate unit.

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

30 (ii) No later than [October 1] December 31 of each year, a

1 charter school shall submit to the school district of residence  
2 of each student final documentation of payment to be made based  
3 on the average daily membership for the nonspecial education  
4 students enrolled in the charter school and the information  
5 reported to the department under section 1372(8) for the special  
6 education students enrolled in the charter school from the  
7 school district for the previous school year[.] and the most  
8 currently available per-student amounts calculated and posted by  
9 the department pursuant to clauses (2.1) and (3). All payments  
10 made during the prior school year shall be adjusted using the  
11 most currently available per-student amounts calculated and  
12 posted by the department pursuant to clauses (2.1) and (3). If a  
13 school district fails to make payment to the charter school, the  
14 secretary shall deduct and pay the amount as documented by the  
15 charter school from any and all State payments made to the  
16 school district after receipt of documentation from the charter  
17 school from the appropriations for the fiscal year in which the  
18 final documentation of payment was submitted to the school  
19 district of residence. The secretary shall not make a deduction  
20 unless the charter school provides the secretary with  
21 documentation demonstrating that the charter school presented  
22 the school district with a request for payment, on or before  
23 December 31, and that the school district did not make a payment  
24 as prescribed by this clause within thirty (30) days of the  
25 receipt of the information. If a charter school does not submit  
26 final documentation of payment to be made to a school district  
27 on or before December 31 as required by this clause, the  
28 secretary shall not deduct funds from State payments to the  
29 school district and shall proceed to adjudicate the charter  
30 school's payment request in a proceeding under the General Rules

1 of Administrative Practice and Procedure, 1 Pa. Code Part II, or  
2 other applicable regulations promulgated or adopted by the  
3 department, and deduction and payment may be made by the  
4 department following issuance of a final order from any and all  
5 State payments due to a school district in any school year. All  
6 requests for payment under this clause must be submitted to the  
7 department no later than April 25 of each year. The secretary  
8 shall prioritize payments under this clause before payments  
9 under subclause (i).

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

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

16 (6) Within thirty (30) days after the secretary makes the  
17 deduction described in clause (5), a school district may notify  
18 the secretary that the deduction made from State payments to the  
19 school district under this subsection is inaccurate. The  
20 secretary shall provide the school district with an opportunity  
21 to be heard concerning whether the charter school documented  
22 that its students were enrolled in the charter school, the  
23 period of time during which each student was enrolled, the  
24 school district of residence of each student and whether the  
25 amounts deducted from the school district were accurate. If the  
26 secretary determines that a school district or charter school  
27 has engaged in arbitrary, dilatory, obdurate or vexatious  
28 conduct with respect to any matter heard under this clause, the  
29 secretary may impose against the party the costs incurred by the  
30 department in hearing the matter and may also impose reasonable

1 counsel fees and other taxable costs against the party and in  
2 favor of the appropriate prevailing party in the proceeding.

3 (7) Notwithstanding any provision of law to the contrary,  
4 the department may initiate disciplinary action before the  
5 Professional Standards and Practices Commission pursuant to the  
6 act of December 12, 1973 (P.L.397, No.141), known as the  
7 "Educator Discipline Act," against a chief school administrator  
8 of a charter school who intentionally fails to submit the  
9 information required pursuant to section 218, 1372(8) or 2552.1  
10 or who intentionally falsifies a report submitted under section  
11 218, 1372(8) or 2552.1. In addition to any other disciplinary  
12 actions set forth in the "Educator Discipline Act," a chief  
13 school administrator of a charter school who intentionally fails  
14 to submit the information required pursuant to section 218,  
15 1372(8) or 2552.1 or who intentionally falsifies a report  
16 submitted under section 218, 1372(8) or 2552.1 shall be subject  
17 to prosecution for violation of 18 Pa.C.S. § 4904 (relating to  
18 unsworn falsification to authorities). The following civil  
19 penalties may be imposed by the department for violations of  
20 this clause:

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

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

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

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

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

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

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

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

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

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

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

21 Section 1725.1-A. Funding for Cyber Charter Schools.--(a)  
22 Funding for a cyber charter school shall be calculated in the  
23 following manner:

24 (1) Cyber charter schools may not charge tuition for a  
25 student attending a cyber charter school. Beginning in the 2021-  
26 2022 school year, cyber charter schools shall be paid by a  
27 student's school district of residence using the Statewide Cyber  
28 Charter School Tuition Rate.

29 (2) For the 2021-2022 and 2022-2023 school years, for non-  
30 special education students, cyber charter schools shall receive

1 for each student enrolled nine thousand four hundred fifty-seven  
2 dollars and fifty-nine cents (\$9,457.59). This amount shall be  
3 the Statewide Cyber Charter School Tuition Rate.

4 (3) Beginning in the 2023-2024 school year and every year  
5 thereafter, the Statewide Cyber Charter School Tuition Rate  
6 shall be calculated using the most recently available annual  
7 financial report filed pursuant to section 218 for the five  
8 highest-performing cyber charter schools identified by the  
9 department pursuant to clauses (4) and (6). For each of the five  
10 highest-performing cyber charter schools, the department shall  
11 calculate the total expenditure per average daily membership, as  
12 defined for school districts in section 2501(20), less the  
13 expenditures for special education programs; expenditures for  
14 operation and maintenance of plant services; expenditures for  
15 facilities acquisition, construction and improvement services;  
16 and expenditures for other expenditures and financing uses, as  
17 provided for in the Manual of Accounting and Related Financial  
18 Procedures for Pennsylvania School Systems established by the  
19 Office of the Budget. The lowest of the five per-student amounts  
20 shall serve as the Statewide Cyber Charter School Tuition Rate  
21 to be paid by the school district of residence of each student.  
22 The per-student amounts calculated by the department are not  
23 subject to subsection (c).

24 (4) On or before April 30, 2023, and by April 30 each year  
25 thereafter, the department shall calculate and post on its  
26 publicly accessible Internet website the Statewide Cyber Charter  
27 School Tuition Rate payable by a student's school district of  
28 residence under clause (3). The department shall also post on  
29 its publicly accessible Internet website the average daily  
30 membership of and the data from each of the five (5) highest

1 performing cyber charter schools' annual financial reports used  
2 to calculate the Statewide Cyber Charter School Tuition Rate.  
3 Until the department calculates and posts the Statewide Cyber  
4 Charter School Tuition Rate, the per-student amounts payable by  
5 a student's school district of residence shall be the Statewide  
6 Cyber Charter School Tuition Rate for the previous school year.

7 (5) For each special education student enrolled, cyber  
8 charter schools shall receive the Statewide Cyber Charter School  
9 Tuition Rate adjusted by the multiplier for each category as set  
10 forth in section 2509.5 for each special education student for  
11 whom the annual expenditure is in Category 1 as reported to the  
12 department under section 1372(8); for each special education  
13 student for whom the annual expenditure is in Category 2 as  
14 reported to the department under section 1372(8); and for each  
15 special education student for whom the annual expenditure is in  
16 Category 3 as reported to the department under section 1372(8).  
17 For purposes of this clause, Category 3 shall be the sum of  
18 students reported in Categories 3A and 3B under section 1372(8).  
19 The per-student amount for each Category 1, Category 2 and  
20 Category 3 student shall be calculated by the department and  
21 posted on its publicly accessible Internet website and shall be  
22 paid by the school district of residence of each student. The  
23 per-student amounts calculated by the department are not subject  
24 to subsection (c).

25 (6) Beginning with the 2023-2024 school year and every three  
26 (3) years thereafter, the department shall identify the five  
27 highest-performing cyber charter schools, as determined by  
28 identification of schools' procedures as required by section  
29 6311(c)(4)(D) of the Elementary and Secondary Education Act of  
30 1965 (Public Law 89-10, 20 U.S.C. § 6311(c)(4)(D)) or its

1 successor Federal statute.

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

29 (2) No later than December 31 of each year, a cyber charter  
30 school shall submit to the school district of residence of each

1 student final documentation of payment to be made based on the  
2 average daily membership for the non-special education students  
3 enrolled in the cyber charter school and the information  
4 reported to the department under section 1372(8) for the special  
5 education students enrolled in the cyber charter school from the  
6 school district for the previous school year and the most  
7 currently available per-student amounts calculated and posted by  
8 the department pursuant to subsection (a). All payments made  
9 during the prior school year shall be adjusted using the most  
10 currently available per-student amounts calculated and posted by  
11 the department pursuant to subsection (a). If a school district  
12 fails to make payment to the cyber charter school, the secretary  
13 shall deduct and pay the amount as documented by the cyber  
14 charter school from any and all State payments made to the  
15 school district after receipt of documentation from the cyber  
16 charter school from the appropriations for the fiscal year in  
17 which the final documentation of payment was submitted to the  
18 school district of residence. The secretary shall not make a  
19 deduction unless the cyber charter school provides the secretary  
20 with documentation demonstrating that the cyber charter school  
21 presented the school district with a request for payment on or  
22 before December 31 and that the school district did not make a  
23 payment as prescribed by this clause within thirty (30) days of  
24 the receipt of the information. If a cyber charter school does  
25 not submit final documentation of payment to be made to a school  
26 district on or before December 31 as required by this clause,  
27 the secretary shall not deduct funds from State payments to the  
28 school district and shall proceed to adjudicate the cyber  
29 charter school's payment request in a proceeding under 1 Pa.  
30 Code Part II (relating to general rules of administrative

1 practice and procedure), or other applicable regulations  
2 promulgated or adopted by the department, and deduction and  
3 payment may be made by the department following issuance of a  
4 final order from any and all State payments made to a school  
5 district in any school year. All requests for payment under this  
6 clause must be submitted to the department no later than April  
7 25 of each year. The secretary shall prioritize payments under  
8 this clause before payments under clause (1).

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

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

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

1 costs against the party and in favor of the appropriate  
2 prevailing party in the proceeding.

3 (d) Notwithstanding any provision of law to the contrary,  
4 the department may initiate disciplinary action before the  
5 Professional Standards and Practices Commission pursuant to the  
6 act of December 12, 1973 (P.L.397, No.141), known as the  
7 "Educator Discipline Act," against a chief school administrator  
8 of a cyber charter school who intentionally fails to submit the  
9 information required pursuant to section 218, 1372(8) or 2552.1  
10 or who intentionally falsifies a report submitted under section  
11 218, 1372(8) or 2552.1. In addition to any other disciplinary  
12 actions set forth in the "Educator Discipline Act," a chief  
13 school administrator of a cyber charter school who intentionally  
14 fails to submit the information required pursuant to section  
15 218, 1372(8) or 2552.1 or who intentionally falsifies a report  
16 submitted under sections 218, 1372(8) or 2552.1 shall be subject  
17 to prosecution for violation of 18 Pa.C.S. § 4904 (relating to  
18 unsworn falsification to authorities). The following civil  
19 penalties may be imposed by the department for violations of  
20 this clause:

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

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

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

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

29 Section 13. Sections 1727-A, 1728-A, 1729-A and 1729.1-A of  
30 the act are amended to read:

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

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

21 (2) The insurance, bond or other security shall provide  
22 coverage for educational services and fees and costs incurred by  
23 a charter school entity and prevailing parties under the  
24 Individuals with Disabilities Education Act (Public Law 91-230,  
25 20 U.S.C. § 1400 et seq.); section 504 of the Rehabilitation Act  
26 of 1973 (Public Law 93-112, 29 U.S.C. § 701 et seq.) and related  
27 Federal or State laws; and salary and wage payments due to  
28 employes, employer and employe contributions for the  
29 Pennsylvania School Employees Retirement System and other  
30 retirement programs.

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

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

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

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

30 (b) In order to facilitate the local board's review [and

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

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

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

1 accepted audit standards of the Governmental Accounting  
2 Standards Board and shall at a minimum include the following:

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

9 (2) Full review of expense reimbursements for board of  
10 trustees members and administrators, including sampling of all  
11 reimbursements.

12 (3) Review of internal controls, including review of  
13 receipts and disbursements.

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

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

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

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

30 (e) A charter school may be subject to an annual audit by

1 the Auditor General, in addition to any other audits required by  
2 Federal or State law or this act.

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

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

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

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

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

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

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

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

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

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

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

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

30     (4) Annual reports filed by the charter school under

1 subsection (b) for the previous five (5) school years.

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

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

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

12 (2) Failure to meet the requirements for student performance  
13 set forth in 22 Pa. Code Ch. [5 (relating to curriculum)] 4  
14 (relating to academic standards and assessment) or subsequent  
15 regulations promulgated to replace 22 Pa. Code Ch. [5] 4 or  
16 failure to meet any performance [standard] targets set forth in  
17 the written charter signed pursuant to section 1716-A.

18 (2.1) Failure to meet any of the following standards  
19 established by the department pursuant to Federal or State law:

20 (i) student attendance;

21 (ii) graduation rate;

22 (iii) academic achievement or growth; or

23 (iv) English learner progress.

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

26 (4) Violation of provisions of this article.

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

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

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

6 (8) Failure of the charter school or an administrator or  
7 member of the board of trustees of the charter school to comply  
8 with the conflicts of interest prohibitions in this article or  
9 65 Pa.C.S. Ch. 11.

10 (9) Failure to timely comply with auditing requirements from  
11 which it has not been exempted.

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

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

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

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

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

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

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

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

13 (c) Any notice of revocation or nonrenewal of a charter  
14 [given by the local board of school directors of a school  
15 district] school shall be in writing and state the grounds for  
16 such action with reasonable specificity and give reasonable  
17 notice to the governing board of the charter school of the date  
18 on which a public hearing concerning the revocation or  
19 nonrenewal will be held. The local board of school directors  
20 shall conduct such hearing, present evidence in support of the  
21 grounds for revocation or nonrenewal stated in its notice and  
22 give the charter school reasonable opportunity to offer  
23 testimony before taking final action. Formal action revoking or  
24 not renewing a charter shall be taken by the local board of  
25 school directors at a public meeting pursuant to [the act of  
26 July 3, 1986 (P.L.388, No.84), known as the "Sunshine Act,"] 65  
27 Pa.C.S. Ch. 7 (relating to open meetings) after the public has  
28 had thirty (30) days to provide comments to the board. Within  
29 sixty (60) days following the public meeting in which formal  
30 action is taken, the decision of the local board of school

1 directors revoking or not renewing a charter shall be provided  
2 to the charter school in writing. All proceedings of the local  
3 board pursuant to this subsection shall be subject to 2 Pa.C.S.  
4 Ch. 5 Subch. B (relating to practice and procedure of local  
5 agencies). Except as provided in subsection (d), the decision of  
6 the local board shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B  
7 (relating to judicial review of local agency action).

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

28 (e) If the appeal board determines that the [charter should  
29 not be revoked or should be renewed] local board of school  
30 directors' decision was arbitrary and capricious, the appeal

1 board shall [order] reverse the local board of [directors to  
2 rescind its revocation or nonrenewal] school directors'  
3 decision.

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

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

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

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

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

1 residence.

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

3 (a) Establishment shall be as follows:

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

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

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

25 (1.1) The application for approval of the consolidation  
26 under clause (1) shall first be submitted simultaneously to the  
27 local board of school directors of each school district that  
28 granted the initial charter of any charter school included in  
29 the proposed consolidation, and only after approval of the  
30 application by each local board of school directors as set forth

1 in clause (1)(ii) or by the appeal board in an appeal filed  
2 under subsection (f) shall the application be submitted to the  
3 department for approval pursuant to clause (1)(i).

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

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

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

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

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

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

25 (ii) Accepted standards of fiscal management or audit  
26 requirements.

27 (iii) A school performance profile score that is among the  
28 top twenty-fifth percentile of Pennsylvania charter schools as  
29 measured by the school performance profile for the most recent  
30 year for which a school performance profile score is available.]

1 (Reserved).

2 (1.1) A charter school that, within the most recent three  
3 school years, has failed to meet accepted standards of fiscal  
4 management or audit requirements shall not be eligible to  
5 consolidate with another charter school.

6 (1.2) A charter school designated as a Comprehensive Support  
7 and Improvement school under the Every Student Succeeds Act  
8 (Public Law 114-95, 129 Stat. 1802) or an equivalent building  
9 level designation under its successor Federal statute shall not  
10 be eligible to consolidate with another charter school.

11 (1.3) A charter school that does not meet the minimum  
12 academic quality benchmark and minimum fiscal management  
13 benchmark set pursuant to section 1731.1-A(d)(2) shall not be  
14 eligible to consolidate with another charter school.

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

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

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

30 (2) The names of the charter schools seeking consolidation

1 under this section.

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

4 (4) An organizational chart clearly presenting the proposed  
5 governance structure of the multiple charter school  
6 organization, including lines of authority and reporting between  
7 the board of trustees, chief administrator, administrators,  
8 staff and any educational management service provider that will  
9 play a role in providing management services to the charter  
10 schools under its jurisdiction.

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

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

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

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

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

24 (d) A multiple charter school organization may:

25 (1) Participate in the assessment system in the same manner  
26 in which a school district participates, with its individual  
27 charter schools participating in the assessment system in the  
28 same manner as individual schools within school districts. All  
29 data gathered for purposes of evaluation shall be gathered in  
30 the same manner in which data is gathered in the case of school

1 districts and individual schools within school districts.  
2 Nothing in this [paragraph] clause shall alter the manner in  
3 which charter school performance on assessments is measured as  
4 required under the Every Student Succeeds Act (Public Law 114-  
5 95, 129 Stat. 1802), or its successor Federal statute.

6 (2) Add existing charter schools to its organization by  
7 obtaining the approval of the department and of the local board  
8 of school directors that granted the initial charter of each  
9 charter school proposed to be added under subsection (a)(1) and  
10 (1.1).

11 (3) Allow students enrolled in an individual charter school  
12 to matriculate to another individual charter school under its  
13 oversight so as to complete a course of instruction in an  
14 educational institution from kindergarten through grade twelve  
15 or otherwise in the best interests of the student[.]; provided a  
16 school district shall not be obligated to pay tuition related to  
17 the matriculation of a four-year-old kindergarten program or  
18 full-day kindergarten program if the school district has  
19 exercised its discretion to not offer these programs in the  
20 school district's own schools.

21 (e) A multiple charter school organization shall be regarded  
22 as the holder of the charter of each individual charter school  
23 under its oversight and each previously or subsequently awarded  
24 charter shall be subject to nonrenewal or revocation by the  
25 local board of school directors that granted the initial charter  
26 in accordance with this act. The nonrenewal or revocation of the  
27 charter of an individual charter school under the oversight of a  
28 multiple charter school organization shall not affect the status  
29 of a charter awarded for any other individual charter school  
30 under the oversight of the multiple charter school organization.

1 (f) Appeals shall be as follows:

2 (1) The appeal board shall have the exclusive review of an  
3 appeal by an applicant for consolidation, with respect to the  
4 rejection of a proposed consolidation by either the department  
5 or a school district.

6 (2) In considering an appeal under this section, the appeal  
7 board shall:

8 (i) Review the decision made by either the department or the  
9 school district on the record as certified by the entity that  
10 made the decision being appealed, provided that the appeal board  
11 may allow the department, a school district or the applicant for  
12 consolidation to supplement the record if the supplemental  
13 information was previously unavailable.

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

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

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

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

28 (4) All decisions of the appeal board shall be subject to  
29 appellate review by the Commonwealth Court. In the event of an  
30 appeal of a decision by the appeal board to the Commonwealth

1 Court, the decision of the appeal board shall be stayed only  
2 upon order of the appeal board, the Commonwealth Court or the  
3 Pennsylvania Supreme Court.

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

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

7 Section 1731.1-A. Accountability Matrix.--(a) Within  
8 thirty-six (36) months of the effective date of this section,  
9 the State board shall develop an accountability matrix to  
10 evaluate the academic performance, operations, governance,  
11 accepted standards of fiscal management and audit requirements  
12 of charter school entities and shall promulgate regulations to  
13 implement this section.

14 (b) The accountability matrix shall assess performance by  
15 utilizing objective criteria, including, but not limited to, the  
16 following:

17 (1) Student performance on State assessments.

18 (2) Growth as measured by the Pennsylvania Value-Added  
19 Assessment System or any subsequent growth measure.

20 (3) Admissions and enrollment practices.

21 (4) Attendance, chronic absenteeism, truancy and attrition  
22 rates.

23 (5) School climate, health, safety and student discipline  
24 indicators.

25 (6) Graduation rates and postsecondary transitions for  
26 graduates of charter schools with a grade twelve.

27 (7) Other standardized test scores.

28 (8) Measures of parent, guardian and family engagement.

29 (9) Accreditation by a nationally recognized accreditation  
30 agency, including the Middle States Association of Colleges and

1 Schools, or another regional institutional accrediting agency  
2 recognized by the United States Department of Education or an  
3 equivalent Federally recognized body for charter school  
4 education.

5 (10) Organizational governance, viability and compliance  
6 with 65 Pa.C.S. Chs. 11 (relating to ethics standards and  
7 financial disclosure) 7 (relating to open meetings).

8 (11) Accepted standards of fiscal management or audit  
9 requirements.

10 (12) Educator certification and measures for assessing  
11 educator effectiveness.

12 (13) Compliance with special education laws, including 22  
13 Pa. Code Ch. 711 (relating to charter school services and  
14 programs for children with disabilities).

15 (14) Compliance with laws concerning education English  
16 learners, including 22 Pa. Code § 4.26 (relating to ESOL).

17 (15) Timely submission of annual report and audited  
18 financial statements.

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

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

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

26 (1) Determine a minimum academic quality benchmark and the  
27 minimum fiscal management benchmark required to qualify a  
28 charter school to be considered by its authorizer for a ten (10)  
29 year renewal term pursuant to section 1720-A(a). An authorizer's  
30 determination to not grant a ten (10) year renewal term may not

1 be appealed. The minimum academic quality benchmark and the  
2 minimum fiscal management benchmark shall be included in the  
3 regulations promulgated under this section.

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

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

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

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

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

28 (f) The department shall review the accountability matrix  
29 every five (5) years to ensure that the accountability matrix  
30 properly measures school learning conditions and academic

1 performance and shall submit any recommendations in writing to  
2 the State board, the Education Committee of the Senate and the  
3 Education Committee of the House of Representatives. Recommended  
4 revisions shall not take effect unless the General Assembly  
5 enacts the revisions or the State board promulgates regulations  
6 to adopt the revisions.

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

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

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

30 (i) The department shall annually publish the matrix data on

1 the department's publicly accessible Internet website.

2 Section 15. Sections 1732-A, 1741-A, 1742-A, 1743-A, 1744-A  
3 and 1745-A of the act are amended to read:

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

8 Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,  
9 510, 518, 527, 708, [736, 737, 738, 739,] 740, 741, 752, 753,  
10 755, 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1301,  
11 1310, 1317, 1317.1, 1317.2, 1318, 1326, 1327, 1327.2, 1329,  
12 1330, 1332, 1333, 1333.1, 1333.2, 1333.3, 1341, 1342, 1343,  
13 1344, 1345, 1372(8), 1303-A, 1513, 1517, 1518, 1521, 1523, 1531,  
14 1547, 2014-A, 2552, Article XIII-A and Article XIV.

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

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

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

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

1 public or private agencies, institutions or organizations."

2 [Act of December 15, 1986 (P.L.1595, No.175), known as the  
3 "Antihazing Law." ] 18 Pa.C.S. Ch. 28 (relating to antihazing)  
4 and 42 Pa.C.S. § 5803(a)(3.1) (relating to asset forfeiture).

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

8 [Section 5.216 (relating to ESOL).  
9 Section 5.4 (relating to general policies).]  
10 Section 4.4 (relating to general policies).  
11 Section 4.26 (relating to ESOL).

12 Chapter 11 (relating to pupil attendance).

13 Chapter 12 (relating to students).

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

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

17 Section 32.3 (relating to assurances).

18 Section 121.3 (relating to discrimination prohibited).

19 Section 235.4 (relating to practices).

20 Section 235.8 (relating to civil rights).

21 Section 339.31 (relating to plan).

22 Section 339.32 (relating to services).

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

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

27 (2) The secretary shall have the authority and the  
28 responsibility to ensure that charter schools comply with  
29 Federal laws and regulations governing children with  
30 disabilities. The secretary shall promulgate regulations to

1 implement this provision.

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

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

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

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

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

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

29 (ii) Notwithstanding any laws to the contrary, the  
30 department may, after notice and hearing, take immediate

1 action to revoke a charter if:

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

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

8 (4) Execute charters after approval.

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

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

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

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

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

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

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

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

30 (b) Enrollment.--A cyber charter school shall report to the

1 department an increase or a decrease of 30% or more in its  
2 anticipated enrollment set forth in the application under  
3 section 1747-A(11).

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

8 (1) A copy of the charter.

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

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

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

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

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

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

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

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

29 (5) The meetings to be held during the school year  
30 between a parent or guardian and a teacher and among other

1 school officials or parents or guardians and the manner in  
2 which the parent or guardian will be notified of the time and  
3 place for the meeting.

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

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

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

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

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

17 (11) Information on:

18 (i) The cyber charter school's professional staff,  
19 including the number of staff personnel, their education  
20 level and experience.

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

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

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

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

3 (1) provide all instructional materials;

4 (2) provide all equipment, including, but not limited  
5 to, a computer, computer monitor and printer; and

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

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

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

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

24 (h) Offices and facilities.--A cyber charter school shall  
25 maintain an administrative office within this Commonwealth where  
26 all student records shall be maintained at all times and shall  
27 provide the department with the addresses of all offices and  
28 facilities of the cyber charter school, the ownership thereof  
29 and any lease arrangements. The administrative office of the  
30 cyber charter school shall be considered as the principal place

1 of business for service of process for any action brought  
2 against the cyber charter school or cyber charter school staff  
3 members. The cyber charter school shall notify the department of  
4 any changes in this information within ten days of the change.

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

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

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

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

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

30 (3) Upon request, provide assistance to the cyber

1 charter school in the delivery of services to a student with  
2 disabilities. The school district or intermediate unit shall  
3 not charge the cyber charter school more for a service than  
4 it charges a school district.

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

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

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

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

21 (c) Attendance.--

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

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

1 week.

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

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

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

19 (f) Evaluation criteria.--

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

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

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

30 (iii) The extent to which the programs outlined in

1 the application will enable students to meet the academic  
2 standards under 22 Pa. Code Ch. 4 (relating to academic  
3 standards and assessment) or subsequent regulations  
4 promulgated to replace 22 Pa. Code Ch. 4.

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

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

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

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

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

30 (g) Denied application.--A cyber charter school applicant

1 may revise and resubmit a denied application to the department.  
2 The department shall grant or deny the revised application  
3 within 60 days after its receipt.

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

17 Section 16. The act is amended by adding a section to read:  
18 Section 1745.1-A. Cyber charter amendments.

19 (a) Written proposal.--Except in cases of requests for  
20 expedited consideration of a charter amendment request as  
21 provided in subsection (h), a cyber charter school desiring to  
22 amend a material term of its charter shall first submit a  
23 written proposal outlining the proposed amendment to the  
24 department. Within 60 days of submission of the written  
25 proposal, the department shall provide a written response to the  
26 cyber charter school identifying the form and scope of the  
27 information necessary for review of the amendment request. At a  
28 minimum, the scope of information to be submitted shall include  
29 all that information required when submitting a new cyber  
30 charter application as specifically relevant to the component of

1 the charter that the cyber charter school seeks to amend.

2 (b) Due date.--A cyber charter school shall submit a request  
3 for an amendment to its charter in the form and containing the  
4 information identified by the department under subsection (a) no  
5 later than November 1 of the school year preceding the school  
6 year in which the cyber charter school proposes to operate  
7 pursuant to the proposed amendment.

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

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

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

23 (f) Amendment request granted.--If the amendment request is  
24 granted, the cyber charter school's written charter shall be  
25 supplemented or amended, as appropriate, to contain the  
26 provisions of the amendment request, and the amended charter  
27 shall be signed by the secretary and each member of the charter  
28 school's board of trustees. The amended charter, when duly  
29 signed, acts as legal authorization of the operation of the  
30 cyber charter school in accordance with the amended charter. The

1 amended charter is legally binding on the department and the  
2 cyber charter school and its board of trustees. The amended  
3 charter shall be effective for the remainder of the term of the  
4 charter as was applicable prior to the amendment.

5 (g) Amendment request denied.--If the amendment request is  
6 denied, the reasons for the denial, including a description of  
7 deficiencies in the amendment request, shall be clearly stated  
8 in the written notice sent by the department to the cyber  
9 charter school. An amendment denied pursuant to this section may  
10 not be appealed. The decision to deny the request shall not  
11 preclude the cyber charter school from revising and resubmitting  
12 a request for a charter amendment in the future in accordance  
13 with the procedures set forth in this section to address any  
14 deficiencies in the previous request as identified by the  
15 department in its written notice denying the amendment request.

16 (h) Expedited review.--

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

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

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

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

27 (2) The department shall provide a written response to  
28 the request for an expedited review that confirms whether an  
29 expedited review will be conducted and, if so, the  
30 information that must be submitted by the cyber charter

1 school for the department's review of the request. If the  
2 department does not agree that an expedited review is  
3 necessary, the cyber charter school shall submit its request  
4 pursuant to the procedures outlined in subsection (a). The  
5 determination to not grant an expedited review of the  
6 proposed charter amendment request shall not be appealable.

7 Section 17. Sections 1746-A, 1747-A and 1748-A of the act  
8 are amended to read:

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

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

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

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

16 (3) The revocation of a charter.

17 (4) An appeal under section 1745-A(h).

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

19 (1) Review the decision made by the department under  
20 subsection (a) on the record as certified by the department.  
21 The secretary shall recuse himself from all cyber charter  
22 school appeals and shall not participate in a hearing,  
23 deliberation or vote on a cyber charter school appeal. The  
24 appeal board may allow the department, the cyber charter  
25 school applicant or the board of trustees of a cyber charter  
26 school to supplement the record if the supplemental  
27 information was previously unavailable.

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

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

1 appeal no later than 60 days following its review.

2 (4) In the case of a decision by the department to deny  
3 a cyber charter application, make its decision based on  
4 [section 1745-A(f) (1). A decision by the appeal board to  
5 reverse the decision of the department and grant a charter  
6 shall serve as a requirement for the secretary to sign the  
7 written charter of the cyber charter school.] whether the  
8 department's decision was arbitrary and capricious. If the  
9 appeal board finds the department's decision to deny the  
10 cyber charter school application to be arbitrary and  
11 capricious, the appeal board shall reverse the decision of  
12 the department, grant the cyber charter and require the  
13 secretary to sign the written charter of the cyber charter  
14 school. The appeal board shall specify its findings in a  
15 written decision.

16 (5) In the case of a decision by the department to  
17 revoke or deny renewal of a cyber school charter in  
18 accordance with section 1741-A(a) (3), make its decision based  
19 on [section 1729-A(a). A decision of the appeal board to  
20 reverse the decision of the department to not revoke or deny  
21 renewal of a charter shall serve as a requirement of the  
22 department to not revoke or to not deny renewal of the  
23 charter of the cyber charter school.] whether the  
24 department's decision was arbitrary and capricious. If the  
25 appeal board finds the department's decision to revoke or  
26 deny renewal of a cyber school charter to arbitrary and  
27 capricious, the appeal board shall reverse the decision of  
28 the department and require the department to not revoke or  
29 deny renewal of the charter of the cyber charter school. The  
30 appeal board shall specify its findings in a written

1 decision. If the appeal board determines that the charter  
2 should be revoked or not renewed, the charter shall remain in  
3 effect until the end of the school year or another time as  
4 the appeal board directs.

5 (c) Stay.--If the department appeals the decision of the  
6 appeal board, the appeal board's decision shall be stayed only  
7 upon order of the appeal board, the Commonwealth Court or the  
8 Pennsylvania Supreme Court.

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

11 Section 1747-A. Cyber charter school application.

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

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

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

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

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

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

29 (6) The technology, including types of hardware and  
30 software, equipment and other materials which will be

1 provided by the cyber charter school to the student.

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

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

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

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

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

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

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

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

29 (15) The types and frequency of communication between  
30 the cyber charter school and the student and the manner in

1       which the cyber charter school will communicate with parents  
2       and guardians.

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

6 Section 1748-A. Enrollment and notification.

7       (a) Notice to school district.--

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

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

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

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

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

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

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

13 (vi) A school district shall continue to make  
14 payments to a cyber charter school under section [1725-A]  
15 1725.1-A during the time in which the school district of  
16 residence of a student is in dispute.

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

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

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

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

28 (3) The date the student will be enrolled.

29 (4) The name and address of the cyber charter school and  
30 the name and telephone number of a contact person able to

1 provide information regarding the cyber charter school.

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

4 (b.1) Enrollment form.--

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

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

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

17 (iii) The date the student will be enrolled.

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

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

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

30 (3) A cyber charter school shall maintain and make

1 available in paper and electronic format the enrollment forms  
2 developed by the department under this subsection in the  
3 languages spoken by 0.005% or more of the Statewide public  
4 school enrollment. The cyber charter school shall ensure that  
5 the forms are translated by a service approved by the  
6 department.

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

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

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

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

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

28 Section 18. The act is amended by adding a section to read:  
29 Section 1748.1-A. Enrollment parameters.

30 (a) General rule.--Enrollment of students in a cyber charter

1 school shall not be subject to a cap or enrollment parameter  
2 unless agreed to by the cyber charter school as part of a  
3 written charter pursuant to section 1745-A.

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

14 Section 19. Section 1749-A of the act, amended October 29,  
15 2020 (P.L.722, No.84), is amended to read:

16 Section 1749-A. Applicability of other provisions of this act  
17 and of other acts and regulations.

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

20 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,  
21 436, 443, 510, 518, 527, 708, 752, 753, 755, 771, 776, 777,  
22 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,  
23 1302, 1310, 1317.2, 1318, 1326, 1327, 1327.2, 1329, 1330,  
24 1332, 1333, 1333.1, 1333.2, 1333.3, 1341, 1342, 1343, 1344,  
25 1345, 1372(8), 1303-A, 1518, 1521, 1523, 1531, 1547, 1702-A,  
26 1703-A, 1714-A, 1714.1-A, 1715-A, 1716-A, 1716.1-A, 1716.2-A,  
27 1719-A, 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, [1725-A,]  
28 1725.1-A, 1727-A, 1728-A (d), (e), (f) and (g), 1729-A, 1730-  
29 A, 1731-A(a) (1) and (b) [and], 2014-A and 2552 and Articles  
30 XII-A, XIII-A and XIV.

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

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

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

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

19 (6) [The act of December 15, 1986 (P.L.1595, No.175),  
20 known as the Antihazing Law.] 18 Pa.C.S. Ch. 28 (relating to  
21 antihazing) and 42 Pa.C.S. § 5803(a)(3.1) (relating to asset  
22 forfeiture).

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

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

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

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

29 (3.1) Chapter 16 (relating to special education for  
30 gifted students).

1           (3.2) Chapter 19 (relating to educator effectiveness  
2 rating tool).

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

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

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

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

8           (7.1) Section 339.31 (relating to plan).

9           (7.2) Section 339.32 (relating to services).

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

12          (c) Existing charter schools.--

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

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

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

24           (ii) Section 1744-A.

25           (iii) Section 1748-A.

26          Section 20. The act is amended by adding a section to read:

27 Section 1752-A. Cyber charter school moratorium.

28 Beginning July 1, 2021, and continuing for 10 years  
29 thereafter, the department shall not accept or act upon any  
30 applications for the establishment of a new cyber charter

1 school.

2 Section 21. Section 2574.3 of the act is amended by adding a  
3 subsection to read:

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

7 (c) Beginning with school year 2021-2022 and continuing each  
8 school year thereafter, a charter school shall not be eligible  
9 to receive payments from the Commonwealth under this section  
10 under a lease between a charter school entity and a charter  
11 school foundation, educational management service provider or  
12 another charter school entity. For purposes of this subsection,  
13 the terms "charter school" and "charter school entity" shall  
14 have the meanings provided in section 1703-A.

15 Section 22. For agreements or contracts between educational  
16 management service providers and charter school entities, this  
17 act shall apply to any agreement or contract under section  
18 1716.2-A entered into or amended on or after the effective date  
19 of this section.

20 Section 23. This act shall take effect immediately.