

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 618 Session of 2013

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

AS REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 3, 2013

AN ACT

1 ~~Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An~~ <--
2 ~~act relating to the public school system, including certain~~
3 ~~provisions applicable as well to private and parochial~~
4 ~~schools; amending, revising, consolidating and changing the~~
5 ~~laws relating thereto," in charter schools, further providing~~
6 ~~for funding for charter schools.~~

7 AMENDING THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), ENTITLED "AN <--
8 ACT RELATING TO THE PUBLIC SCHOOL SYSTEM, INCLUDING CERTAIN
9 PROVISIONS APPLICABLE AS WELL TO PRIVATE AND PAROCHIAL
10 SCHOOLS; AMENDING, REVISING, CONSOLIDATING AND CHANGING THE
11 LAWS RELATING THERETO," IN TERMS AND COURSES OF STUDY,
12 FURTHER PROVIDING FOR AGREEMENTS WITH INSTITUTIONS OF HIGHER
13 EDUCATION; IN OPPORTUNITIES FOR EDUCATIONAL EXCELLENCE,
14 FURTHER PROVIDING FOR DEFINITIONS AND FOR CONCURRENT
15 ENROLLMENT AGREEMENTS; AND EXTENSIVELY REVISING AND ADDING
16 CHARTER SCHOOL PROVISIONS.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 ~~Section 1. Section 1725 A (a) (3) of the act of March 10,~~ <--
20 ~~1949 (P.L.30, No.14), known as the Public School Code of 1949,~~
21 ~~amended June 29, 2002 (P.L.524, No.88), is amended, subsection~~

1 ~~(a) is amended by adding a paragraph and the section is amended~~
2 ~~by adding a subsection to read:~~

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

5 ~~* * *~~

6 ~~(2.1) For the 2013 2014 school year and every school year~~
7 ~~thereafter, a cyber charter school shall receive for each~~
8 ~~student enrolled the same funding for each nonspecial education~~
9 ~~student as provided in clause (2), minus the budgeted~~
10 ~~expenditures of the district of residence for the full~~
11 ~~employer's share of retirement contributions paid to the Public~~
12 ~~School Employees' Retirement System.~~

13 ~~(3) For special education students, the charter school shall~~
14 ~~receive for each student enrolled the same funding as for each~~
15 ~~non special education student as provided in clause (2) or~~
16 ~~(2.1), whichever is appropriate, plus an additional amount~~
17 ~~determined by dividing the district of residence's total special~~
18 ~~education expenditure by the product of multiplying the combined~~
19 ~~percentage of section 2509.5(k) times the district of~~
20 ~~residence's total average daily membership for the prior school~~
21 ~~year. This amount shall be paid by the district of residence of~~
22 ~~each student.~~

23 ~~* * *~~

24 ~~(f) The term "cyber charter school" shall mean an~~
25 ~~independent public school established and operated under a~~
26 ~~charter from the Department of Education and in which the school~~
27 ~~uses technology in order to provide a significant portion of its~~
28 ~~curriculum and to deliver a significant portion of instruction~~
29 ~~to its students through the Internet or other electronic means.~~
30 ~~A cyber charter school must be organized as a public, nonprofit~~

1 ~~corporation. A charter may not be granted to a for-profit~~
2 ~~entity.~~

3 ~~Section 2. This act shall take effect in 60 days.~~

4 SECTION 1. SECTION 1525 OF THE ACT OF MARCH 10, 1949 <--
5 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949, ADDED
6 JULY 4, 2004 (P.L.536, NO.70), IS AMENDED TO READ:

7 SECTION 1525. AGREEMENTS WITH INSTITUTIONS OF HIGHER
8 EDUCATION.--NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
9 CONTRARY, A SCHOOL DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER
10 SCHOOL, CYBER CHARTER SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL
11 MAY ENTER INTO AN AGREEMENT WITH ONE OR MORE INSTITUTIONS OF
12 HIGHER EDUCATION APPROVED TO OPERATE IN THIS COMMONWEALTH IN
13 ORDER TO ALLOW [RESIDENT] STUDENTS TO ATTEND SUCH INSTITUTIONS
14 OF HIGHER EDUCATION WHILE THE [RESIDENT] STUDENTS ARE ENROLLED
15 IN THE SCHOOL DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER SCHOOL,
16 CYBER CHARTER SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL. THE
17 AGREEMENT MAY BE STRUCTURED SO THAT HIGH SCHOOL STUDENTS MAY
18 RECEIVE CREDITS TOWARD COMPLETION OF COURSES AT THE SCHOOL
19 DISTRICT, CHARTER SCHOOL, REGIONAL CHARTER SCHOOL, CYBER CHARTER
20 SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL AND AT INSTITUTIONS
21 OF HIGHER EDUCATION APPROVED TO OPERATE IN THIS COMMONWEALTH.

22 SECTION 2. THE DEFINITIONS OF "CONCURRENT STUDENT" AND
23 "SCHOOL ENTITY" IN SECTION 1602-B OF THE ACT, ADDED JULY 13,
24 2005 (P.L.226, NO.46), ARE AMENDED TO READ:

25 SECTION 1602-B. DEFINITIONS.

26 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
27 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
28 CONTEXT CLEARLY INDICATES OTHERWISE:

29 * * *

30 "CONCURRENT STUDENT." A STUDENT WHO IS ENROLLED IN A SCHOOL

1 DISTRICT, A CHARTER SCHOOL, A REGIONAL CHARTER SCHOOL, A CYBER
2 CHARTER SCHOOL, AN AREA VOCATIONAL-TECHNICAL SCHOOL, A NONPUBLIC
3 SCHOOL, A PRIVATE SCHOOL OR A HOME EDUCATION PROGRAM UNDER
4 SECTION 1327.1 AND WHO TAKES A CONCURRENT COURSE THROUGH A
5 CONCURRENT ENROLLMENT PROGRAM.

6 * * *

7 "SCHOOL ENTITY." A SCHOOL DISTRICT, A CHARTER SCHOOL, A
8 REGIONAL CHARTER SCHOOL, A CYBER CHARTER SCHOOL OR AN AREA
9 VOCATIONAL-TECHNICAL SCHOOL.

10 * * *

11 SECTION 3. SECTION 1613-B OF THE ACT IS AMENDED BY ADDING A
12 SUBSECTION TO READ:

13 SECTION 1613-B. CONCURRENT ENROLLMENT AGREEMENTS.

14 * * *

15 (C) CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER
16 CHARTER SCHOOLS.--CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND
17 CYBER CHARTER SCHOOLS SHALL HAVE THE POWER AND AUTHORITY TO
18 ENTER INTO A CONCURRENT ENROLLMENT AGREEMENT WITH AN INSTITUTION
19 OF HIGHER EDUCATION, AND APPROPRIATE CREDIT SHALL BE AWARDED TO
20 STUDENTS CONCURRENTLY ENROLLED UNDER THE AGREEMENT.

21 SECTION 4. SECTION 1703-A OF THE ACT, AMENDED JUNE 29, 2002
22 (P.L.524, NO.88), IS AMENDED TO READ:

23 SECTION 1703-A. DEFINITIONS.--AS USED IN THIS ARTICLE,

24 "ADMINISTRATOR" SHALL INCLUDE AN EMPLOYE OF A CHARTER SCHOOL
25 ENTITY, INCLUDING THE CHIEF ADMINISTRATOR OF A CHARTER SCHOOL
26 ENTITY AND ANY OTHER EMPLOYE, WHO BY VIRTUE OF THE EMPLOYE'S
27 POSITION IS RESPONSIBLE FOR TAKING OFFICIAL ACTION OF A
28 NONMINISTERIAL NATURE WITH REGARD TO CONTRACTING OR PROCUREMENT,
29 ADMINISTERING OR MONITORING GRANTS OR SUBSIDIES, MANAGING OR
30 REGULATING STAFF, STUDENT AND SCHOOL ACTIVITIES OR ANY ACTIVITY

1 WHERE THE OFFICIAL ACTION HAS AN ECONOMIC IMPACT OF GREATER THAN
2 A DE MINIMIS NATURE ON THE INTERESTS OF ANY PERSON.

3 "APPEAL BOARD" SHALL MEAN THE STATE CHARTER SCHOOL APPEAL
4 BOARD ESTABLISHED BY THIS ARTICLE.

5 "ASSESSMENT" SHALL MEAN THE PENNSYLVANIA SYSTEM OF SCHOOL
6 ASSESSMENT TEST, THE KEYSTONE EXAM OR ANOTHER TEST ESTABLISHED
7 BY THE STATE BOARD TO MEET THE REQUIREMENTS OF SECTION 2603-
8 B(D)(10)(I) AND REQUIRED UNDER THE NO CHILD LEFT BEHIND ACT OF
9 2001 (PUBLIC LAW 107-110, 115 STAT. 1425) OR ITS SUCCESSOR
10 FEDERAL STATUTE.

11 "AT-RISK STUDENT" SHALL MEAN A STUDENT AT RISK OF EDUCATIONAL
12 FAILURE BECAUSE OF LIMITED ENGLISH PROFICIENCY, POVERTY,
13 COMMUNITY FACTORS, TRUANCY, ACADEMIC DIFFICULTIES OR ECONOMIC
14 DISADVANTAGE.

15 "CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC SCHOOL
16 ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE LOCAL BOARD OF
17 SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE ENROLLED OR ATTEND. A
18 CHARTER SCHOOL MUST BE ORGANIZED AS A PUBLIC, NONPROFIT
19 CORPORATION. CHARTERS MAY NOT BE GRANTED TO ANY FOR-PROFIT
20 ENTITY.

21 "CHARTER SCHOOL ENTITY" SHALL MEAN A CHARTER SCHOOL, REGIONAL
22 CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

23 "CHARTER SCHOOL FOUNDATION" SHALL MEAN A NONPROFIT
24 ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE
25 CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C)(3)), THAT
26 PROVIDES FUNDING, RESOURCES OR OTHERWISE SERVES TO SUPPORT A
27 CHARTER SCHOOL ENTITY, EITHER DIRECTLY OR THROUGH AN AFFILIATED
28 ENTITY.

29 "CHIEF ADMINISTRATOR" SHALL MEAN AN INDIVIDUAL APPOINTED BY A
30 BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF A

1 CHARTER SCHOOL ENTITY. THE TERM SHALL NOT INCLUDE A PROFESSIONAL
2 STAFF MEMBER UNDER THIS ARTICLE.

3 ["CHIEF EXECUTIVE OFFICER" SHALL MEAN AN INDIVIDUAL APPOINTED
4 BY THE BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF
5 THE CHARTER SCHOOL, BUT WHO SHALL NOT BE DEEMED A PROFESSIONAL
6 STAFF MEMBER UNDER THIS ARTICLE.]

7 "CYBER CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
8 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE
9 DEPARTMENT OF EDUCATION AND IN WHICH THE SCHOOL USES TECHNOLOGY
10 IN ORDER TO PROVIDE A SIGNIFICANT PORTION OF ITS CURRICULUM AND
11 TO DELIVER A SIGNIFICANT PORTION OF INSTRUCTION TO ITS STUDENTS
12 THROUGH THE INTERNET OR OTHER ELECTRONIC MEANS. A CYBER CHARTER
13 SCHOOL MUST BE ORGANIZED AS A PUBLIC, NONPROFIT CORPORATION. A
14 CHARTER MAY NOT BE GRANTED TO A FOR-PROFIT ENTITY.

15 "DEPARTMENT" SHALL MEAN THE DEPARTMENT OF EDUCATION OF THE
16 COMMONWEALTH.

17 "EDUCATIONAL MANAGEMENT SERVICE PROVIDER" SHALL MEAN A
18 NONPROFIT CHARTER MANAGEMENT ORGANIZATION, FOR-PROFIT EDUCATION
19 MANAGEMENT ORGANIZATION, SCHOOL DESIGN PROVIDER, BUSINESS
20 MANAGER OR ANY OTHER PARTNER ENTITY WITH WHICH A BOARD OF
21 TRUSTEES OF A CHARTER SCHOOL ENTITY CONTRACTS TO PROVIDE
22 EDUCATIONAL DESIGN, BUSINESS SERVICES, COMPREHENSIVE MANAGEMENT
23 OR PERSONNEL FUNCTIONS OR TO IMPLEMENT THE CHARTER. THE TERM
24 SHALL NOT INCLUDE A CHARTER SCHOOL FOUNDATION.

25 "IMMEDIATE FAMILY MEMBER" SHALL MEAN A PARENT, SPOUSE, CHILD,
26 BROTHER OR SISTER.

27 "LOCAL BOARD OF SCHOOL DIRECTORS" SHALL MEAN THE BOARD OF
28 DIRECTORS, SCHOOL REFORM COMMISSION OR OTHER GOVERNING AUTHORITY
29 OF A SCHOOL DISTRICT IN WHICH A PROPOSED OR AN APPROVED CHARTER
30 SCHOOL IS LOCATED.

1 "NONRELATED" SHALL MEAN AN INDIVIDUAL WHO IS NOT AN IMMEDIATE
2 FAMILY MEMBER.

3 "REGIONAL CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
4 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM MORE THAN
5 ONE LOCAL BOARD OF SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE
6 ENROLLED OR ATTEND. A REGIONAL CHARTER SCHOOL MUST BE ORGANIZED
7 AS A PUBLIC, NONPROFIT CORPORATION. CHARTERS MAY NOT BE GRANTED
8 TO ANY FOR-PROFIT ENTITY.

9 "SCHOOL DISTRICT OF RESIDENCE" SHALL MEAN THE SCHOOL DISTRICT
10 IN THIS COMMONWEALTH IN WHICH [THE PARENTS OR GUARDIANS OF A
11 CHILD RESIDE] A CHILD RESIDES AS DETERMINED UNDER SECTION 1302
12 AND 22 PA. CODE § 11.11(A) (1) (RELATING TO ENTITLEMENT OF
13 RESIDENT CHILDREN TO ATTEND PUBLIC SCHOOLS).

14 "SCHOOL ENTITY" SHALL MEAN A SCHOOL DISTRICT, INTERMEDIATE
15 UNIT, JOINT SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL.

16 "SECRETARY" SHALL MEAN THE SECRETARY OF EDUCATION OF THE
17 COMMONWEALTH.

18 "STATE BOARD" SHALL MEAN THE STATE BOARD OF EDUCATION OF THE
19 COMMONWEALTH.

20 SECTION 4.1. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

21 SECTION 1704-A. CHARTER SCHOOL FUNDING ADVISORY
22 COMMISSION.--(1) THE GOVERNOR SHALL IMMEDIATELY CONVENE A
23 STATEWIDE ADVISORY COMMISSION, TO BE KNOWN AS THE CHARTER SCHOOL
24 FUNDING ADVISORY COMMISSION, TO EXAMINE THE FINANCING OF CHARTER
25 SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER CHARTER SCHOOLS IN
26 THE PUBLIC EDUCATION SYSTEM. THE COMMISSION SHALL EXAMINE HOW
27 CHARTER SCHOOL, REGIONAL CHARTER SCHOOL AND CYBER CHARTER SCHOOL
28 FINANCES AFFECT OPPORTUNITIES FOR TEACHERS, PARENTS, PUPILS AND
29 COMMUNITY MEMBERS TO ESTABLISH AND MAINTAIN SCHOOLS THAT OPERATE
30 INDEPENDENTLY FROM THE EXISTING SCHOOL DISTRICT STRUCTURE AS A

1 METHOD TO ACCOMPLISH THE REQUIREMENTS OF SECTION 1702-A. THE
2 OFFICE OF THE BUDGET AND THE DEPARTMENT SHALL PROVIDE
3 ADMINISTRATIVE SUPPORT, MEETING SPACE AND ANY OTHER ASSISTANCE
4 REQUIRED BY THE COMMISSION TO CARRY OUT ITS DUTIES UNDER THIS
5 SECTION.

6 (2) THE COMMISSION SHALL CONSIST OF THE FOLLOWING MEMBERS:

7 (I) THREE MEMBERS OF THE SENATE APPOINTED BY THE PRESIDENT
8 PRO TEMPORE OF THE SENATE, IN CONSULTATION WITH THE MAJORITY
9 LEADER OF THE SENATE AND THE MINORITY LEADER OF THE SENATE, WITH
10 TWO APPOINTEES FROM THE MAJORITY PARTY AND ONE APPOINTEE FROM
11 THE MINORITY PARTY.

12 (II) THREE MEMBERS OF THE HOUSE OF REPRESENTATIVES APPOINTED
13 BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, IN CONSULTATION
14 WITH THE MAJORITY LEADER OF THE HOUSE OF REPRESENTATIVES AND THE
15 MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES, WITH TWO
16 APPOINTEES FROM THE MAJORITY PARTY AND ONE APPOINTEE FROM THE
17 MINORITY PARTY.

18 (III) THE SECRETARY OR A DESIGNEE.

19 (IV) TO REPRESENT THE INTERESTS OF CHARTER SCHOOL ENTITIES,
20 THE FOLLOWING MEMBERS, WHO SHALL BE APPOINTED BY THE GOVERNOR:

21 (A) ONE MEMBER WHO SHALL REPRESENT CHARTER SCHOOLS.

22 (B) ONE MEMBER WHO SHALL REPRESENT REGIONAL CHARTER SCHOOLS.

23 (C) ONE MEMBER WHO SHALL REPRESENT CYBER CHARTER SCHOOLS.

24 (D) ONE MEMBER WHO SHALL BE A TEACHER IN A CHARTER SCHOOL
25 ENTITY.

26 (E) ONE MEMBER WHO SHALL BE A PARENT OF A CHILD ATTENDING A
27 CHARTER SCHOOL ENTITY.

28 (V) TO REPRESENT THE INTERESTS OF SCHOOL DISTRICTS, THE
29 FOLLOWING MEMBERS, WHO SHALL BE APPOINTED BY THE GOVERNOR:

30 (A) ONE MEMBER WHO SHALL BE A TEACHER IN A PUBLIC SCHOOL

1 THAT IS NOT A CHARTER SCHOOL ENTITY.

2 (B) ONE MEMBER WHO SHALL REPRESENT SCHOOL ADMINISTRATORS.

3 (C) TWO MEMBERS WHO SHALL REPRESENT SCHOOL BOARD MEMBERS.

4 (D) ONE MEMBER WHO SHALL BE A BUSINESS MANAGER OF A SCHOOL
5 DISTRICT.

6 (VI) ONE MEMBER WHO SHALL REPRESENT AN INSTITUTION OF HIGHER
7 EDUCATION AND WHO SHALL BE APPOINTED BY THE GOVERNOR.

8 (3) MEMBERS OF THE COMMISSION SHALL BE APPOINTED WITHIN
9 TWENTY (20) DAYS OF THE EFFECTIVE DATE OF THIS SECTION. ANY
10 VACANCY ON THE COMMISSION SHALL BE FILLED BY THE ORIGINAL
11 APPOINTING AUTHORITY. THE COMMISSION SHALL SELECT A CHAIRMAN AND
12 VICE CHAIRMAN FROM AMONG ITS MEMBERSHIP AT AN ORGANIZATIONAL
13 MEETING. THE ORGANIZATIONAL MEETING SHALL TAKE PLACE NOT LATER
14 THAN FORTY-FIVE (45) DAYS FOLLOWING THE EFFECTIVE DATE OF THIS
15 SECTION.

16 (4) THE COMMISSION SHALL HOLD MEETINGS AT THE CALL OF THE
17 CHAIRMAN. THE COMMISSION MAY ALSO HOLD PUBLIC HEARINGS ON THE
18 MATTERS TO BE CONSIDERED BY THE COMMISSION AT LOCATIONS
19 THROUGHOUT THIS COMMONWEALTH. ALL MEETINGS AND PUBLIC HEARINGS
20 OF THE COMMISSION SHALL BE DEEMED PUBLIC MEETINGS FOR THE
21 PURPOSE OF 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS). TEN
22 (10) MEMBERS OF THE COMMISSION SHALL CONSTITUTE A QUORUM AT ANY
23 MEETING. EACH MEMBER OF THE COMMISSION MAY DESIGNATE ANOTHER
24 PERSON TO REPRESENT THAT MEMBER AT MEETINGS OF THE COMMISSION.

25 (5) COMMISSION MEMBERS SHALL RECEIVE NO COMPENSATION FOR
26 THEIR SERVICES BUT SHALL BE REIMBURSED BY THE DEPARTMENT FOR ALL
27 NECESSARY TRAVEL AND OTHER REASONABLE EXPENSES INCURRED IN
28 CONNECTION WITH THE PERFORMANCE OF THEIR DUTIES AS MEMBERS.
29 WHENEVER POSSIBLE, THE COMMISSION SHALL UTILIZE THE SERVICES AND
30 EXPERTISE OF EXISTING PERSONNEL AND STAFF OF STATE GOVERNMENT.

1 THE DEPARTMENT MAY UTILIZE UNDISTRIBUTED FUNDS NOT EXPENDED,
2 ENCUMBERED OR COMMITTED FROM APPROPRIATIONS FOR GRANTS AND
3 SUBSIDIES MADE TO THE DEPARTMENT, NOT TO EXCEED THREE HUNDRED
4 THOUSAND DOLLARS (\$300,000), TO CARRY OUT THIS SECTION.

5 (6) THE COMMISSION SHALL HAVE THE FOLLOWING POWERS AND
6 DUTIES:

7 (I) MEET WITH CURRENT CHARTER SCHOOL ENTITY OPERATORS,
8 SCHOOL DISTRICT PERSONNEL AND REPRESENTATIVES OF INSTITUTIONS OF
9 HIGHER EDUCATION WITHIN THIS COMMONWEALTH.

10 (II) REVIEW CHARTER SCHOOL ENTITY FINANCING LAWS IN
11 OPERATION THROUGHOUT THE UNITED STATES.

12 (III) EXPLORE THE ACTUAL COST OF EDUCATING A CHILD IN A
13 CYBER CHARTER SCHOOL.

14 (IV) EVALUATE AND MAKE RECOMMENDATIONS ON THE FOLLOWING:

15 (A) CONSIDERATION OF ESTABLISHING A HIGHER EDUCATION
16 AUTHORIZER OF CHARTER SCHOOL ENTITIES.

17 (B) APPROPRIATE ASSESSMENT OF FEES ON CHARTER SCHOOL
18 ENTITIES FOR POTENTIALLY FUNDING A HIGHER EDUCATION AUTHORIZER
19 OF CHARTER SCHOOL ENTITIES, INCLUDING REVIEW OF INDEPENDENT
20 AUTHORIZER FEES AND STRUCTURES THROUGHOUT THE UNITED STATES.

21 (C) THE PROCESS BY WHICH CHARTER SCHOOL ENTITIES ARE FUNDED
22 UNDER SECTION 1725-A, INCLUDING THE CONTINUATION OF SCHOOL
23 DISTRICT DEDUCTIONS FOR FOOD SERVICES AND FOR RETIREMENT
24 CONTRIBUTIONS PAID TO THE PUBLIC SCHOOL EMPLOYEES' RETIREMENT
25 SYSTEM AND ADDRESSING OTHER POTENTIAL FUNDING INEQUITIES.

26 (V) ISSUE A REPORT PURSUANT TO PARAGRAPH (7).

27 (7) THE COMMISSION SHALL, NO LATER THAN MARCH 31, 2014,
28 ISSUE A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE
29 GOVERNOR, THE PRESIDENT PRO TEMPORE OF THE SENATE, THE MAJORITY
30 LEADER OF THE SENATE, THE MINORITY LEADER OF THE SENATE, THE

1 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE
2 OF THE SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
3 EDUCATION COMMITTEE OF THE SENATE, THE SPEAKER OF THE HOUSE OF
4 REPRESENTATIVES, THE MAJORITY LEADER OF THE HOUSE OF
5 REPRESENTATIVES, THE MINORITY LEADER OF THE HOUSE OF
6 REPRESENTATIVES, THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
7 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
8 CHAIRMAN AND MINORITY CHAIRMAN OF THE EDUCATION COMMITTEE OF THE
9 HOUSE OF REPRESENTATIVES. THE RECOMMENDATIONS OF THE COMMISSION
10 SHALL NOT TAKE EFFECT UNLESS THE RECOMMENDATIONS ARE APPROVED BY
11 AN ACT OF THE GENERAL ASSEMBLY ENACTED AFTER THE EFFECTIVE DATE
12 OF THIS SECTION.

13 SECTION 5. SECTION 1715-A OF THE ACT, AMENDED OR ADDED JUNE
14 19, 1997 (P.L.225, NO.22) AND JULY 9, 2008 (P.L.846, NO.61), IS
15 AMENDED TO READ:

16 SECTION 1715-A. CHARTER SCHOOL ENTITY REQUIREMENTS.--(A)
17 CHARTER [SCHOOLS] SCHOOL ENTITIES SHALL BE REQUIRED TO COMPLY
18 WITH THE FOLLOWING PROVISIONS:

19 (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, A CHARTER
20 SCHOOL ENTITY IS EXEMPT FROM STATUTORY REQUIREMENTS ESTABLISHED
21 IN THIS ACT, FROM REGULATIONS OF THE STATE BOARD AND THE
22 STANDARDS OF THE SECRETARY NOT SPECIFICALLY APPLICABLE TO
23 CHARTER [SCHOOLS] SCHOOL ENTITIES. CHARTER [SCHOOLS] SCHOOL
24 ENTITIES ARE NOT EXEMPT FROM STATUTES APPLICABLE TO PUBLIC
25 SCHOOLS OTHER THAN THIS ACT.

26 (2) A CHARTER SCHOOL ENTITY SHALL BE ACCOUNTABLE TO THE
27 PARENTS, THE PUBLIC AND THE COMMONWEALTH, WITH THE DELINEATION
28 OF THAT ACCOUNTABILITY REFLECTED IN THE CHARTER. STRATEGIES FOR
29 MEANINGFUL PARENT AND COMMUNITY INVOLVEMENT SHALL BE DEVELOPED
30 AND IMPLEMENTED BY EACH SCHOOL.

1 (3) A CHARTER SCHOOL ENTITY SHALL NOT UNLAWFULLY
2 DISCRIMINATE IN ADMISSIONS, HIRING OR OPERATION.

3 (4) A CHARTER SCHOOL ENTITY SHALL BE NONSECTARIAN IN ALL
4 OPERATIONS.

5 (5) (I) [A] SUBJECT TO SUBPARAGRAPH (II), A CHARTER SCHOOL
6 ENTITY SHALL NOT PROVIDE ANY RELIGIOUS INSTRUCTION, NOR SHALL IT
7 DISPLAY RELIGIOUS OBJECTS AND SYMBOLS ON THE PREMISES OF THE
8 CHARTER SCHOOL[.] ENTITY.

9 (II) IT SHALL NOT BE A VIOLATION OF THIS PARAGRAPH FOR A
10 CHARTER SCHOOL ENTITY TO UTILIZE A SECTARIAN FACILITY:

11 (A) IF THE CHARTER SCHOOL ENTITY PROVIDES FOR DISCRETE AND
12 SEPARATE ENTRANCES TO BUILDINGS UTILIZED FOR SCHOOL PURPOSES
13 ONLY;

14 (B) IF THE RELIGIOUS OBJECTS AND SYMBOLS WITHIN THE PORTIONS
15 OF THE FACILITY UTILIZED BY THE SCHOOL ARE COVERED OR REMOVED TO
16 THE EXTENT REASONABLY FEASIBLE; OR

17 (C) IN WHICH THE UNUSED PORTION OF THE FACILITY OR ITS
18 COMMON AREAS CONTAIN RELIGIOUS SYMBOLS AND OBJECTS.

19 (6) A CHARTER SCHOOL ENTITY SHALL NOT ADVOCATE UNLAWFUL
20 BEHAVIOR.

21 (7) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL SHALL ONLY
22 BE SUBJECT TO THE LAWS AND REGULATIONS AS PROVIDED FOR IN
23 SECTION 1732-A, OR AS OTHERWISE PROVIDED FOR IN THIS [ARTICLE]
24 ACT.

25 (7.1) A CYBER CHARTER SCHOOL SHALL ONLY BE SUBJECT TO THE
26 LAWS AND REGULATIONS AS PROVIDED FOR IN SECTION 1749-A, OR AS
27 OTHERWISE PROVIDED FOR IN THIS ACT.

28 (8) A CHARTER SCHOOL ENTITY SHALL PARTICIPATE IN [THE
29 PENNSYLVANIA STATE ASSESSMENT SYSTEM AS PROVIDED FOR IN 22 PA.
30 CODE CH. 5 (RELATING TO CURRICULUM), OR SUBSEQUENT REGULATIONS

1 PROMULGATED TO REPLACE 22 PA. CODE CH. 5,] ASSESSMENTS IN THE
2 MANNER IN WHICH THE SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL
3 ENTITY IS LOCATED IS SCHEDULED TO PARTICIPATE.

4 (9) A CHARTER SCHOOL ENTITY SHALL PROVIDE A MINIMUM OF ONE
5 HUNDRED EIGHTY (180) DAYS OF INSTRUCTION OR NINE HUNDRED (900)
6 HOURS PER YEAR OF INSTRUCTION AT THE ELEMENTARY LEVEL, OR NINE
7 HUNDRED NINETY (990) HOURS PER YEAR OF INSTRUCTION AT THE
8 SECONDARY LEVEL. NOTHING IN THIS CLAUSE SHALL PRECLUDE THE USE
9 OF COMPUTER AND SATELLITE LINKAGES FOR DELIVERING INSTRUCTION TO
10 STUDENTS.

11 (10) BOARDS OF TRUSTEES AND CONTRACTORS OF CHARTER [SCHOOLS]
12 SCHOOL ENTITIES SHALL BE SUBJECT TO THE FOLLOWING STATUTORY
13 REQUIREMENTS GOVERNING CONSTRUCTION PROJECTS AND CONSTRUCTION-
14 RELATED WORK:

15 (I) THE FOLLOWING PROVISIONS OF THIS ACT:

16 (A) SECTIONS 751 AND 751.1.

17 (B) SECTIONS 756 AND 757 INSOFAR AS THEY ARE CONSISTENT WITH
18 THE ACT OF DECEMBER 20, 1967 (P.L.869, NO.385), KNOWN AS THE
19 "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

20 (II) SECTION 1 OF THE ACT OF MAY 1, 1913 (P.L.155, NO.104),
21 ENTITLED "AN ACT REGULATING THE LETTING OF CERTAIN CONTRACTS FOR
22 THE ERECTION, CONSTRUCTION, AND ALTERATION OF PUBLIC BUILDINGS."

23 (III) THE ACT OF AUGUST 11, 1961 (P.L.987, NO.442), KNOWN AS
24 THE "PENNSYLVANIA PREVAILING WAGE ACT."

25 (IV) THE "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

26 (V) THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE
27 "STEEL PRODUCTS PROCUREMENT ACT."

28 (11) TRUSTEES OF A CHARTER SCHOOL ENTITY SHALL BE PUBLIC
29 OFFICIALS[.] FOR THE PURPOSES OF 65 PA.C.S. CH. 11 (RELATING TO
30 ETHICS STANDARDS AND FINANCIAL DISCLOSURE) AND SHALL FILE A

1 STATEMENT OF FINANCIAL INTERESTS FOR THE PRECEDING CALENDAR YEAR
2 WITH THE STATE ETHICS COMMISSION AND EITHER THE LOCAL BOARD OF
3 SCHOOL DIRECTORS IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
4 CHARTER SCHOOL, OR THE DEPARTMENT IN THE CASE OF A CYBER CHARTER
5 SCHOOL, NOT LATER THAN MAY 1 OF EACH YEAR THAT MEMBERS HOLD THE
6 POSITION AND OF THE YEAR AFTER A MEMBER LEAVES THE POSITION. ALL
7 MEMBERS OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY
8 SHALL TAKE THE OATH OF OFFICE AS REQUIRED UNDER SECTION 321
9 BEFORE ENTERING UPON THE DUTIES OF THEIR OFFICE.

10 [(12) A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A CHARTER
11 SCHOOL SHALL NOT RECEIVE COMPENSATION FROM ANOTHER CHARTER
12 SCHOOL OR FROM A COMPANY THAT PROVIDES MANAGEMENT OR OTHER
13 SERVICES TO ANOTHER CHARTER SCHOOL. THE TERM "ADMINISTRATOR"
14 SHALL INCLUDE THE CHIEF EXECUTIVE OFFICER OF A CHARTER SCHOOL
15 AND ALL OTHER EMPLOYEES OF A CHARTER SCHOOL WHO BY VIRTUE OF
16 THEIR POSITIONS EXERCISE MANAGEMENT OR OPERATIONAL OVERSIGHT
17 RESPONSIBILITIES. A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A
18 CHARTER SCHOOL SHALL BE A PUBLIC OFFICIAL UNDER 65 PA.C.S. CH.
19 11 (RELATING TO ETHICS STANDARDS AND FINANCIAL DISCLOSURE). A
20 VIOLATION OF THIS CLAUSE SHALL CONSTITUTE A VIOLATION OF 65
21 PA.C.S. § 1103(A) (RELATING TO RESTRICTED ACTIVITIES), AND THE
22 VIOLATOR SHALL BE SUBJECT TO THE PENALTIES IMPOSED UNDER THE
23 JURISDICTION OF THE STATE ETHICS COMMISSION.]

24 (B) AN INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A
25 CHARTER SCHOOL ENTITY SHALL BE A PUBLIC EMPLOYE FOR THE PURPOSES
26 OF 65 PA.C.S. CH. 11 AND SHALL FILE A STATEMENT OF FINANCIAL
27 INTERESTS FOR THE PRECEDING CALENDAR YEAR WITH THE BOARD OF
28 TRUSTEES NOT LATER THAN MAY 1 OF EACH YEAR THAT THE PERSON HOLDS
29 THE POSITION AND OF THE YEAR AFTER THE PERSON LEAVES THE
30 POSITION.

1 (C) (1) NO INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A
2 CHARTER SCHOOL ENTITY MAY RECEIVE COMPENSATION FROM ANOTHER
3 CHARTER SCHOOL ENTITY OR FROM AN EDUCATIONAL MANAGEMENT SERVICE
4 PROVIDER, UNLESS:

5 (I) THE ADMINISTRATOR HAS SUBMITTED A SWORN STATEMENT TO THE
6 BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY AND THE SWORN
7 STATEMENT DETAILS THE WORK FOR THE OTHER ENTITY AND INCLUDES THE
8 PROJECTED NUMBER OF HOURS, RATE OF COMPENSATION AND PROJECTED
9 DURATION.

10 (II) THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY HAS
11 REVIEWED THE SWORN STATEMENT UNDER SUBCLAUSE (I) AND AGREED, BY
12 RESOLUTION, TO GRANT PERMISSION TO THE ADMINISTRATOR.

13 (2) A COPY OF THE SWORN STATEMENT UNDER CLAUSE (1) (I) AND
14 THE RESOLUTION BY THE BOARD OF TRUSTEES GRANTING THE PERMISSION
15 UNDER CLAUSE (1) (II) SHALL BE PROVIDED TO, AND KEPT ON FILE
16 WITH, THE CHARTER SCHOOL ENTITY AND THE LOCAL BOARD OF SCHOOL
17 DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
18 DEPARTMENT.

19 (3) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY OR IMMEDIATE
20 FAMILY MEMBER OF THE ADMINISTRATOR MAY SERVE AS A VOTING MEMBER
21 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY THAT
22 EMPLOYS THE ADMINISTRATOR.

23 (4) (I) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY MAY
24 PARTICIPATE IN THE SELECTION, AWARD OR ADMINISTRATION OF A
25 CONTRACT IF THE PERSON HAS A CONFLICT OF INTEREST AS THAT TERM
26 IS DEFINED IN 65 PA.C.S. § 1102 (RELATING TO DEFINITIONS).

27 (II) AN ADMINISTRATOR WHO KNOWINGLY VIOLATES THIS CLAUSE
28 COMMITTS A VIOLATION OF 65 PA.C.S. § 1103(A) (RELATING TO
29 RESTRICTED ACTIVITIES) AND SHALL BE SUBJECT TO THE PENALTIES
30 IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS COMMISSION.

1 (III) ANY CONTRACT MADE IN VIOLATION OF THIS CLAUSE SHALL BE
2 VOIDABLE BY THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY.

3 (5) AN ADMINISTRATOR SHALL BE IMMEDIATELY DISMISSED UPON
4 CONVICTION FOR AN OFFENSE GRADED AS A FELONY, AN INFAMOUS CRIME,
5 AN OFFENSE PERTAINING TO FRAUD, THEFT OR MISMANAGEMENT OF PUBLIC
6 FUNDS OR ANY CRIME INVOLVING MORAL TURPITUDE.

7 SECTION 6. SECTION 1716-A(C) OF THE ACT, ADDED JUNE 19, 1997
8 (P.L.225, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY
9 ADDING SUBSECTIONS TO READ:

10 SECTION 1716-A. POWERS OF BOARD OF TRUSTEES.--* * *

11 (B.1) (1) FOR A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL
12 CHARTERED AFTER THE EFFECTIVE DATE OF THIS SUBSECTION, AN
13 INDIVIDUAL SHALL BE PROHIBITED FROM SERVING AS A VOTING MEMBER
14 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL
15 CHARTER SCHOOL IF THE INDIVIDUAL OR AN IMMEDIATE FAMILY MEMBER
16 RECEIVES COMPENSATION FROM OR IS EMPLOYED BY OR IS A MEMBER OF
17 THE LOCAL BOARD OF SCHOOL DIRECTORS WHO PARTICIPATED IN THE
18 INITIAL REVIEW, APPROVAL, OVERSIGHT, EVALUATION OR RENEWAL
19 PROCESS OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL
20 CHARTERED BY THAT BOARD.

21 (2) AN EMPLOYEE OF THE SCHOOL DISTRICT THAT CHARTERED A
22 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL MAY SERVE AS A MEMBER
23 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL
24 CHARTER SCHOOL WITHOUT VOTING PRIVILEGES.

25 (B.2) (1) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER
26 SCHOOL ENTITY MAY PARTICIPATE IN THE SELECTION, AWARD OR
27 ADMINISTRATION OF ANY CONTRACT IF THE MEMBER HAS A CONFLICT OF
28 INTEREST AS THAT TERM IS DEFINED IN 65 PA.C.S. § 1102 (RELATING
29 TO DEFINITIONS).

30 (2) ANY MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL

1 ENTITY WHO IN THE DISCHARGE OF THE PERSON'S OFFICIAL DUTIES
2 WOULD BE REQUIRED TO VOTE ON A MATTER THAT WOULD RESULT IN A
3 CONFLICT OF INTEREST SHALL ABSTAIN FROM VOTING AND FOLLOW THE
4 PROCEDURES REQUIRED UNDER 65 PA.C.S. § 1103(J) (RELATING TO
5 RESTRICTED ACTIVITIES).

6 (3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
7 ENTITY WHO KNOWINGLY VIOLATES THIS SUBSECTION COMMITS A
8 VIOLATION OF 65 PA.C.S. § 1103(A) AND SHALL BE SUBJECT TO THE
9 PENALTIES IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS
10 COMMISSION.

11 (4) A CONTRACT MADE IN VIOLATION OF THIS SUBSECTION SHALL BE
12 VOIDABLE BY A COURT OF COMPETENT JURISDICTION, IF THE SUIT IS
13 COMMENCED WITHIN NINETY (90) DAYS OF THE MAKING OF THE CONTRACT.

14 (5) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
15 ENTITY SHALL BE COMPENSATED FOR DUTIES ON THE BOARD OF TRUSTEES.

16 (B.3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
17 ENTITY SHALL BE AUTOMATICALLY DISQUALIFIED AND IMMEDIATELY
18 REMOVED FROM THE BOARD OF TRUSTEES UPON CONVICTION FOR AN
19 OFFENSE GRADED AS A FELONY, AN INFAMOUS CRIME, AN OFFENSE
20 PERTAINING TO FRAUD, THEFT OR MISMANAGEMENT OF PUBLIC FUNDS, ANY
21 OFFENSE PERTAINING TO HIS OFFICIAL CAPACITY AS A MEMBER OF THE
22 BOARD OF TRUSTEES OR ANY CRIME INVOLVING MORAL TURPITUDE.

23 (C) THE BOARD OF TRUSTEES SHALL COMPLY WITH [THE ACT OF JULY
24 3, 1986 (P.L.388, NO.84), KNOWN AS THE "SUNSHINE ACT."] 65
25 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

26 (D) (1) (I) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
27 ENTITY SHALL CONSIST OF A MINIMUM OF FIVE (5) NONRELATED VOTING
28 MEMBERS.

29 (II) IF A CHARTER SCHOOL ENTITY HAS FEWER THAN FIVE (5)
30 NONRELATED VOTING MEMBERS SERVING ON ITS BOARD OF TRUSTEES ON

1 THE EFFECTIVE DATE OF THIS SUBSECTION, THE CHARTER SCHOOL ENTITY
2 SHALL, WITHIN SIXTY (60) DAYS, APPOINT ADDITIONAL MEMBERS TO THE
3 BOARD OF TRUSTEES TO MEET THE MINIMUM REQUIREMENTS OF THIS
4 SECTION.

5 (2) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF THIS
6 SUBSECTION, AT LEAST ONE MEMBER OF THE BOARD OF TRUSTEES OF A
7 CHARTER SCHOOL ENTITY SHALL BE A PARENT OF A CHILD CURRENTLY
8 ATTENDING THE CHARTER SCHOOL ENTITY. THE BOARD OF TRUSTEES
9 MEMBER REQUIRED BY THIS PARAGRAPH SHALL BE ELIGIBLE TO SERVE
10 ONLY SO LONG AS THE CHILD ATTENDS THE CHARTER SCHOOL ENTITY.

11 (E) (1) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD OF
12 TRUSTEES SHALL CONSTITUTE A QUORUM. IF LESS THAN A MAJORITY IS
13 PRESENT AT ANY MEETING, NO BUSINESS MAY BE TRANSACTED AT THE
14 MEETING.

15 (2) THE AFFIRMATIVE VOTE OF A MAJORITY OF ALL THE VOTING
16 MEMBERS OF THE BOARD OF TRUSTEES, DULY RECORDED, SHALL BE
17 REQUIRED IN ORDER TO TAKE OFFICIAL ACTION ON THE SUBJECTS
18 ENUMERATED UNDER SUBSECTION (A).

19 SECTION 7. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

20 SECTION 1716.1-A. PAYMENT OF INDEBTEDNESS BY CHARTER SCHOOL
21 ENTITIES.-- (A) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY
22 SHALL SUPPLY THE SECRETARY AND, IN THE CASE OF A CHARTER SCHOOL
23 OR REGIONAL CHARTER SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS
24 A LIST OF THE AMOUNT OF RENTAL PAYMENTS WHICH ARE GUARANTEES FOR
25 SCHOOL BUILDING DEBT OR BONDS THAT BECOME DUE DURING THE FISCAL
26 YEAR TOGETHER WITH THE AMOUNT PAID ON EACH ITEM OF INDEBTEDNESS.
27 ANY CHARTER SCHOOL ENTITY THAT ELECTS TO ISSUE DEBT SHALL HOLD
28 IN ESCROW AN AMOUNT SUFFICIENT TO PAY THE ANNUAL AMOUNT OF THE
29 SUM OF THE PRINCIPAL MATURING OR SUBJECT TO MANDATORY REDEMPTION
30 AND INTEREST OWING BY THE CHARTER SCHOOL ENTITY OR SINKING FUND

1 DEPOSIT DUE BY THE CHARTER SCHOOL ENTITY.

2 (B) (1) IN ANY CASE WHERE THE BOARD OF TRUSTEES OF A
3 CHARTER SCHOOL ENTITY FAILS TO PAY OR TO PROVIDE FOR THE PAYMENT
4 OF:

5 (I) ANY INDEBTEDNESS AT DATE OF MATURITY OR DATE OF
6 MANDATORY REDEMPTION OR ON ANY SINKING FUND DEPOSIT DATE; OR

7 (II) ANY INTEREST DUE ON SUCH INDEBTEDNESS ON ANY INTEREST
8 PAYMENT DATE OR ON ANY SINKING FUND DEPOSIT DATE IN ACCORDANCE
9 WITH THE SCHEDULE UNDER WHICH THE BONDS WERE ISSUED,
10 THE BANK OR TRUSTEE FOR THE BONDS SHALL NOTIFY THE BOARD OF
11 TRUSTEES OF ITS OBLIGATION AND SHALL IMMEDIATELY NOTIFY THE
12 SECRETARY AND, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
13 CHARTER SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS.

14 (2) THE SECRETARY SHALL WITHHOLD ANY PAYMENT DUE THE CHARTER
15 SCHOOL ENTITY IN ANY AMOUNT NECESSARY TO FULLY FUND THE AMOUNT
16 HELD IN ESCROW BY THE CHARTER SCHOOL ENTITY WHICH SHALL BE EQUAL
17 TO THE SUM OF THE PRINCIPAL AMOUNT MATURING OR SUBJECT TO
18 MANDATORY REDEMPTION AND INTEREST OWING BY THE CHARTER SCHOOL
19 ENTITY OR SINKING FUND DEPOSIT DUE BY THE CHARTER SCHOOL ENTITY
20 AND SHALL REQUIRE PAYOVER OF THE AMOUNT WITHHELD TO THE BANK OR
21 TRUSTEE ACTING AS THE SINKING FUND DEPOSITARY FOR THE BOND ISSUE
22 FROM THE ESCROW ACCOUNT.

23 SECTION 8. SECTIONS 1717-A(C), (D), (E) AND (F) AND 1719-A
24 OF THE ACT, ADDED JUNE 19, 1997 (P.L.225, NO.22), ARE AMENDED TO
25 READ:

26 SECTION 1717-A. ESTABLISHMENT OF CHARTER SCHOOL.--* * *

27 (C) AN APPLICATION TO ESTABLISH A CHARTER SCHOOL SHALL BE
28 SUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS OF THE DISTRICT
29 WHERE THE CHARTER SCHOOL WILL BE LOCATED BY [NOVEMBER 15]
30 OCTOBER 1 OF THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR IN WHICH

1 THE CHARTER SCHOOL WILL BE ESTABLISHED EXCEPT THAT FOR A CHARTER
2 SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, AN APPLICATION
3 MUST BE RECEIVED BY JULY 15, 1997. IN THE 1997-1998 SCHOOL YEAR
4 ONLY, APPLICATIONS SHALL BE LIMITED TO RECIPIENTS OF FISCAL YEAR
5 1996-1997 DEPARTMENT OF EDUCATION CHARTER SCHOOL PLANNING
6 GRANTS.

7 (D) WITHIN FORTY-FIVE (45) DAYS OF RECEIPT OF AN
8 APPLICATION, THE LOCAL BOARD OF SCHOOL DIRECTORS IN WHICH THE
9 PROPOSED CHARTER SCHOOL IS TO BE LOCATED SHALL HOLD AT LEAST ONE
10 PUBLIC HEARING ON THE PROVISIONS OF THE CHARTER APPLICATION,
11 UNDER [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
12 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
13 AT LEAST FORTY-FIVE (45) DAYS MUST TRANSPIRE BETWEEN THE FIRST
14 PUBLIC HEARING AND THE FINAL DECISION OF THE BOARD ON THE
15 CHARTER APPLICATION EXCEPT THAT FOR A CHARTER SCHOOL BEGINNING
16 IN THE 1997-1998 SCHOOL YEAR, ONLY THIRTY (30) DAYS MUST
17 TRANSPIRE BETWEEN THE FIRST PUBLIC HEARING AND THE FINAL
18 DECISION OF THE BOARD.

19 (E) (1) NOT LATER THAN SEVENTY-FIVE (75) DAYS AFTER THE
20 FIRST PUBLIC HEARING ON THE APPLICATION, THE LOCAL BOARD OF
21 SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION. FOR A
22 CHARTER SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, THE LOCAL
23 BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION NO
24 LATER THAN SIXTY (60) DAYS AFTER THE FIRST PUBLIC HEARING.

25 (2) A CHARTER SCHOOL APPLICATION SUBMITTED UNDER THIS
26 ARTICLE SHALL BE EVALUATED BY THE LOCAL BOARD OF SCHOOL
27 DIRECTORS BASED ON CRITERIA, INCLUDING, BUT NOT LIMITED TO, THE
28 FOLLOWING:

29 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE CHARTER
30 SCHOOL PLAN BY TEACHERS, PARENTS, OTHER COMMUNITY MEMBERS AND

1 STUDENTS, INCLUDING COMMENTS RECEIVED AT THE PUBLIC HEARING HELD
2 UNDER SUBSECTION (D) .

3 (II) THE CAPABILITY OF THE CHARTER SCHOOL APPLICANT, IN
4 TERMS OF SUPPORT AND PLANNING, TO PROVIDE COMPREHENSIVE LEARNING
5 EXPERIENCES TO STUDENTS PURSUANT TO THE ADOPTED CHARTER.

6 (III) THE EXTENT TO WHICH THE APPLICATION CONSIDERS THE
7 INFORMATION REQUESTED IN SECTION 1719-A AND CONFORMS TO THE
8 LEGISLATIVE INTENT OUTLINED IN SECTION 1702-A.

9 (IV) THE EXTENT TO WHICH THE CHARTER SCHOOL MAY SERVE AS A
10 MODEL FOR OTHER PUBLIC SCHOOLS.

11 (3) THE LOCAL BOARD OF SCHOOL DIRECTORS, IN THE CASE OF AN
12 EXISTING SCHOOL BEING CONVERTED TO A CHARTER SCHOOL, SHALL
13 ESTABLISH THE ALTERNATIVE ARRANGEMENTS FOR CURRENT STUDENTS WHO
14 CHOOSE NOT TO ATTEND THE CHARTER SCHOOL.

15 (4) A CHARTER APPLICATION SHALL BE DEEMED APPROVED BY THE
16 LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT UPON
17 AFFIRMATIVE VOTE BY A MAJORITY OF ALL THE DIRECTORS. FORMAL
18 ACTION APPROVING OR DENYING THE APPLICATION SHALL BE TAKEN BY
19 THE LOCAL BOARD OF SCHOOL DIRECTORS AT A PUBLIC MEETING, WITH
20 NOTICE OR CONSIDERATION OF THE APPLICATION GIVEN BY THE BOARD,
21 UNDER [THE "SUNSHINE ACT."] 65 PA.C.S. CH. 7.

22 (5) WRITTEN NOTICE OF THE BOARD'S ACTION SHALL BE SENT TO
23 THE APPLICANT, THE DEPARTMENT AND THE APPEAL BOARD. IF THE
24 APPLICATION IS DENIED, THE REASONS FOR THE DENIAL, INCLUDING A
25 DESCRIPTION OF DEFICIENCIES IN THE APPLICATION, SHALL BE CLEARLY
26 STATED IN THE NOTICE SENT BY THE LOCAL BOARD OF SCHOOL DIRECTORS
27 TO THE CHARTER SCHOOL APPLICANT.

28 (F) AT THE OPTION OF THE CHARTER SCHOOL APPLICANT, A DENIED
29 APPLICATION MAY BE REVISED AND RESUBMITTED TO THE LOCAL BOARD OF
30 SCHOOL DIRECTORS. FOLLOWING THE APPOINTMENT AND CONFIRMATION OF

1 THE CHARTER SCHOOL APPEAL BOARD UNDER SECTION 1721-A, THE
2 DECISION OF THE LOCAL BOARD OF SCHOOL DIRECTORS MAY BE APPEALED
3 TO THE APPEAL BOARD. WHEN AN APPLICATION IS REVISED AND
4 RESUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS, THE BOARD
5 MAY SCHEDULE ADDITIONAL PUBLIC HEARINGS ON THE REVISED
6 APPLICATION. THE BOARD SHALL CONSIDER THE REVISED AND
7 RESUBMITTED APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT
8 LEAST FORTY-FIVE (45) DAYS AFTER RECEIPT OF THE REVISED
9 APPLICATION BY THE BOARD. FOR A REVISED APPLICATION RESUBMITTED
10 FOR THE 1997-1998 SCHOOL YEAR, THE BOARD SHALL CONSIDER THE
11 APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT LEAST THIRTY
12 (30) DAYS AFTER ITS RECEIPT. THE BOARD SHALL PROVIDE NOTICE OF
13 CONSIDERATION OF THE REVISED APPLICATION UNDER [THE "SUNSHINE
14 ACT."] 65 PA.C.S. CH. 7. NO APPEAL FROM A DECISION OF A LOCAL
15 SCHOOL BOARD MAY BE TAKEN UNTIL JULY 1, 1999.

16 * * *

17 SECTION 1719-A. CONTENTS OF APPLICATION.--[AN] (A) THE
18 DEPARTMENT SHALL CREATE A STANDARD APPLICATION FORM FOR CHARTER
19 SCHOOL APPLICANTS SEEKING TO ESTABLISH A CHARTER SCHOOL ENTITY
20 AND FOR EXISTING CHARTER SCHOOL ENTITIES SEEKING RENEWAL OF
21 THEIR CHARTERS. THE FORM SHALL BE PUBLISHED IN THE PENNSYLVANIA
22 BULLETIN AND POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE
23 INTERNET WEBSITE. THE FORM SHALL INCLUDE ALL OF THE FOLLOWING
24 INFORMATION:

- 25 (1) THE IDENTIFICATION OF THE CHARTER SCHOOL APPLICANT.
26 (2) THE NAME OF THE PROPOSED CHARTER SCHOOL ENTITY.
27 (3) THE GRADE OR AGE LEVELS SERVED BY THE SCHOOL.
28 (4) [THE PROPOSED GOVERNANCE STRUCTURE OF THE CHARTER
29 SCHOOL, INCLUDING A DESCRIPTION AND METHOD FOR THE APPOINTMENT
30 OR ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.] AN

1 ORGANIZATION CHART CLEARLY PRESENTING THE PROPOSED GOVERNANCE
2 STRUCTURE OF THE SCHOOL, INCLUDING LINES OF AUTHORITY AND
3 REPORTING BETWEEN THE BOARD OF TRUSTEES, ADMINISTRATORS, STAFF
4 AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
5 PROVIDE MANAGEMENT SERVICES TO THE CHARTER SCHOOL ENTITY.

6 (4.1) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES
7 OF THE BOARD OF TRUSTEES, ADMINISTRATORS AND ANY OTHER ENTITIES,
8 INCLUDING A CHARTER SCHOOL FOUNDATION, SHOWN IN THE ORGANIZATION
9 CHART.

10 (4.2) A CLEAR DESCRIPTION OF THE METHOD FOR THE APPOINTMENT
11 OR ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.

12 (4.3) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE, INCLUDING
13 COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND TERMS OF
14 THE CHARTER.

15 (4.4) IF THE CHARTER SCHOOL ENTITY INTENDS TO CONTRACT WITH
16 AN EDUCATIONAL MANAGEMENT SERVICE PROVIDER FOR SERVICES, ALL OF
17 THE FOLLOWING:

18 (I) EVIDENCE OF THE EDUCATIONAL MANAGEMENT SERVICE
19 PROVIDER'S RECORD IN SERVING STUDENT POPULATIONS, INCLUDING
20 DEMONSTRATED ACADEMIC ACHIEVEMENT AND DEMONSTRATED MANAGEMENT OF
21 NONACADEMIC SCHOOL FUNCTIONS, INCLUDING PROFICIENCY WITH PUBLIC
22 SCHOOL-BASED ACCOUNTING, IF APPLICABLE.

23 (II) A DRAFT CONTRACT STATING ALL OF THE FOLLOWING:

24 (A) THE OFFICERS, CHIEF ADMINISTRATOR AND ADMINISTRATORS OF
25 THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

26 (B) THE PROPOSED DURATION OF THE SERVICE CONTRACT.

27 (C) ROLES AND RESPONSIBILITIES OF THE BOARD OF TRUSTEES, THE
28 SCHOOL STAFF AND THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

29 (D) THE SCOPE OF SERVICES, PERSONNEL AND RESOURCES TO BE
30 PROVIDED BY THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

1 (E) PERFORMANCE EVALUATION MEASURES AND TIMELINES.

2 (F) THE COMPENSATION STRUCTURE, INCLUDING CLEAR
3 IDENTIFICATION OF ALL FEES TO BE PAID TO THE EDUCATIONAL
4 MANAGEMENT SERVICE PROVIDER.

5 (G) METHODS OF CONTRACT OVERSIGHT AND ENFORCEMENT.

6 (H) INVESTMENT DISCLOSURE OR THE ADVANCE OF MONEYS BY THE
7 EDUCATIONAL MANAGEMENT SERVICE PROVIDER ON BEHALF OF THE CHARTER
8 SCHOOL ENTITY.

9 (I) CONDITIONS FOR RENEWAL AND TERMINATION OF THE CONTRACT.

10 (III) DISCLOSURE AND EXPLANATION OF ANY EXISTING OR
11 POTENTIAL CONFLICTS OF INTEREST BETWEEN THE MEMBERS OF THE BOARD
12 OF TRUSTEES AND THE PROPOSED EDUCATIONAL MANAGEMENT SERVICE
13 PROVIDER OR ANY AFFILIATED BUSINESS ENTITIES, INCLUDING A
14 CHARTER SCHOOL FOUNDATION QUALIFIED AS A SUPPORT ORGANIZATION
15 UNDER THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26
16 U.S.C. § 1 ET SEQ.).

17 (5) THE MISSION AND EDUCATION GOALS OF THE CHARTER SCHOOL
18 ENTITY, THE CURRICULUM TO BE OFFERED AND THE METHODS OF
19 ASSESSING WHETHER STUDENTS ARE MEETING EDUCATIONAL GOALS.

20 (6) THE ADMISSION POLICY AND CRITERIA FOR EVALUATING THE
21 ADMISSION OF STUDENTS WHICH SHALL COMPLY WITH THE REQUIREMENTS
22 OF SECTION 1723-A.

23 (7) PROCEDURES WHICH WILL BE USED REGARDING THE SUSPENSION
24 OR EXPULSION OF PUPILS. SAID PROCEDURES SHALL COMPLY WITH
25 SECTION 1318.

26 (8) INFORMATION ON THE MANNER IN WHICH COMMUNITY GROUPS WILL
27 BE INVOLVED IN THE CHARTER SCHOOL ENTITY PLANNING PROCESS.

28 (9) THE FINANCIAL PLAN FOR THE CHARTER SCHOOL ENTITY AND THE
29 PROVISIONS WHICH WILL BE MADE FOR AUDITING THE SCHOOL UNDER
30 [SECTION] SECTIONS 437 AND 1728-A, INCLUDING THE ROLE OF ANY

1 CHARTER SCHOOL FOUNDATION.

2 (10) PROCEDURES WHICH SHALL BE ESTABLISHED TO REVIEW
3 COMPLAINTS OF PARENTS REGARDING THE OPERATION OF THE CHARTER
4 SCHOOL ENTITY.

5 (11) A DESCRIPTION OF AND ADDRESS OF THE PHYSICAL FACILITY
6 IN WHICH THE CHARTER SCHOOL ENTITY WILL BE LOCATED AND THE
7 OWNERSHIP THEREOF AND ANY LEASE ARRANGEMENTS.

8 (12) INFORMATION ON THE PROPOSED SCHOOL CALENDAR FOR THE
9 CHARTER SCHOOL ENTITY, INCLUDING THE LENGTH OF THE SCHOOL DAY
10 AND SCHOOL YEAR CONSISTENT WITH THE PROVISIONS OF SECTION 1502.

11 (13) THE PROPOSED FACULTY, IF ALREADY DETERMINED, AND A
12 PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION PLAN FOR THE
13 FACULTY AND PROFESSIONAL STAFF OF [A] THE CHARTER SCHOOL ENTITY.

14 (14) WHETHER ANY AGREEMENTS HAVE BEEN ENTERED INTO OR PLANS
15 DEVELOPED WITH THE LOCAL SCHOOL DISTRICT REGARDING PARTICIPATION
16 OF THE CHARTER SCHOOL ENTITY'S STUDENTS IN EXTRACURRICULAR
17 ACTIVITIES WITHIN THE SCHOOL DISTRICT. NOTWITHSTANDING ANY
18 PROVISION TO THE CONTRARY, NO SCHOOL DISTRICT OF RESIDENCE SHALL
19 PROHIBIT A STUDENT OF A CHARTER SCHOOL ENTITY FROM PARTICIPATING
20 IN ANY EXTRACURRICULAR ACTIVITY OF THAT SCHOOL DISTRICT OF
21 RESIDENCE: PROVIDED, THAT THE STUDENT IS ABLE TO FULFILL ALL OF
22 THE REQUIREMENTS OF PARTICIPATION IN SUCH ACTIVITY AND THE
23 CHARTER SCHOOL ENTITY DOES NOT PROVIDE THE SAME EXTRACURRICULAR
24 ACTIVITY.

25 (15) A REPORT OF CRIMINAL HISTORY RECORD, PURSUANT TO
26 SECTION 111, FOR ALL INDIVIDUALS IDENTIFIED IN THE APPLICATION
27 WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A PLAN FOR
28 SATISFYING THE PROPER CRIMINAL HISTORY RECORD CLEARANCES
29 REQUIRED FOR ALL OTHER STAFF.

30 (16) AN OFFICIAL CLEARANCE STATEMENT REGARDING CHILD INJURY

1 OR ABUSE FROM THE DEPARTMENT OF PUBLIC WELFARE AS REQUIRED BY 23
2 PA.C.S. CH. 63 SUBCH. C.2 (RELATING TO BACKGROUND CHECKS FOR
3 EMPLOYMENT IN SCHOOLS) FOR ALL INDIVIDUALS IDENTIFIED IN THE
4 APPLICATION WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A
5 PLAN FOR SATISFYING THE PROPER OFFICIAL CLEARANCE STATEMENT
6 REGARDING CHILD INJURY OR ABUSE REQUIRED FOR ALL OTHER STAFF.

7 (17) HOW THE CHARTER SCHOOL ENTITY WILL PROVIDE ADEQUATE
8 LIABILITY AND OTHER APPROPRIATE INSURANCE FOR THE CHARTER SCHOOL
9 ENTITY, ITS EMPLOYEES AND THE BOARD OF TRUSTEES OF THE CHARTER
10 SCHOOL ENTITY.

11 (18) POLICIES REGARDING TRUANCY, ABSENCES AND WITHDRAWAL OF
12 STUDENTS, INCLUDING THE MANNER IN WHICH THE CHARTER SCHOOL
13 ENTITY WILL MONITOR ATTENDANCE CONSISTENT WITH SECTION 1715-A(A)
14 (9). THE CHARTER SCHOOL ENTITY'S POLICY SHALL ESTABLISH, TO THE
15 SATISFACTION OF THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
16 CASE OF A CYBER CHARTER SCHOOL, TO THE SATISFACTION OF THE
17 DEPARTMENT, THAT THE CHARTER SCHOOL ENTITY WILL COMPLY WITH
18 SECTIONS 1332 AND 1333, INCLUDING THE INSTITUTION OF TRUANCY
19 PROCEEDINGS WHEN REQUIRED UNDER SECTION 1333.

20 (19) HOW THE CHARTER SCHOOL ENTITY WILL MEET THE STANDARDS
21 INCLUDED IN THE PERFORMANCE MATRIX DEVELOPED BY THE STATE BOARD
22 OF EDUCATION UNDER SECTION 1731.2-A.

23 (20) INDICATE WHETHER OR NOT THE CHARTER SCHOOL ENTITY WILL
24 SEEK ACCREDITATION BY A NATIONALLY RECOGNIZED ACCREDITATION
25 AGENCY, INCLUDING THE MIDDLE STATES ASSOCIATION OF COLLEGES AND
26 SCHOOLS OR ANOTHER REGIONAL INSTITUTIONAL ACCREDITING AGENCY
27 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION OR AN
28 EQUIVALENT FEDERALLY RECOGNIZED BODY FOR CHARTER SCHOOL
29 EDUCATION.

30 (B) A LOCAL BOARD OF SCHOOL DIRECTORS MAY NOT IMPOSE

1 ADDITIONAL TERMS, DEVELOP ITS OWN APPLICATION OR REQUIRE
2 ADDITIONAL INFORMATION OUTSIDE THE STANDARD APPLICATION FORM
3 REQUIRED UNDER SUBSECTION (A).

4 SECTION 9. SECTION 1720-A OF THE ACT, AMENDED JULY 9, 2008,
5 (P.L.846, NO.61), IS AMENDED TO READ:

6 SECTION 1720-A. TERM AND FORM OF CHARTER.--(A) (1) UPON
7 APPROVAL OF A CHARTER APPLICATION UNDER SECTION 1717-A, A
8 WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
9 PROVISIONS OF THE STANDARDIZED CHARTER APPLICATION UNDER SECTION
10 1719-A AND WHICH SHALL BE SIGNED BY THE LOCAL BOARD OF SCHOOL
11 DIRECTORS OF A SCHOOL DISTRICT, BY THE LOCAL BOARDS OF SCHOOL
12 DIRECTORS OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER
13 SCHOOL OR BY THE CHAIRMAN OF THE APPEAL BOARD PURSUANT TO
14 SECTION [1717-A(I) (5)] 1717-A(I) (9) AND THE BOARD OF TRUSTEES OF
15 THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL. THIS WRITTEN
16 CHARTER, WHEN DULY SIGNED BY THE LOCAL BOARD OF SCHOOL DIRECTORS
17 OF A SCHOOL DISTRICT, [OR] BY THE LOCAL BOARDS OF SCHOOL
18 DIRECTORS OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER
19 SCHOOL OR BY THE CHAIRMAN OF THE APPEAL BOARD, AND THE CHARTER
20 SCHOOL OR REGIONAL CHARTER SCHOOL'S BOARD OF TRUSTEES, SHALL ACT
21 AS LEGAL AUTHORIZATION FOR THE ESTABLISHMENT OF A CHARTER SCHOOL
22 OR REGIONAL CHARTER SCHOOL. THIS WRITTEN CHARTER SHALL BE
23 LEGALLY BINDING ON BOTH THE LOCAL BOARD OF SCHOOL DIRECTORS OF A
24 SCHOOL DISTRICT AND THE CHARTER SCHOOL OR REGIONAL CHARTER
25 SCHOOL'S BOARD OF TRUSTEES. [EXCEPT AS OTHERWISE PROVIDED IN
26 SUBSECTION (B), THE CHARTER SHALL BE FOR A PERIOD OF NO LESS
27 THAN THREE (3) NOR MORE THAN FIVE (5) YEARS AND MAY BE RENEWED
28 FOR FIVE (5) YEAR PERIODS UPON REAUTHORIZATION BY THE LOCAL
29 BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT OR THE APPEAL
30 BOARD.] IF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL

1 CONTRACTS WITH AN EDUCATIONAL MANAGEMENT SERVICE PROVIDER, A
2 CONTRACT SHALL BE EXECUTED ONCE THE CHARTER IS APPROVED. A
3 CHARTER WILL BE GRANTED ONLY FOR A SCHOOL ORGANIZED AS A PUBLIC,
4 NONPROFIT CORPORATION.

5 (2) THE FOLLOWING SHALL APPLY TO ALL CHARTERS GRANTED BY A
6 SCHOOL DISTRICT:

7 (I) AN INITIAL CHARTER EXECUTED PURSUANT TO SECTION
8 1720-A(A) (1) SHALL BE FOR A PERIOD OF FIVE (5) YEARS.

9 (II) PRIOR TO THE EFFECTIVE DATE OF THE REGULATIONS
10 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT TO
11 SECTION 1731.2-A, A CHARTER MAY BE RENEWED FOR FIVE (5) YEAR
12 PERIODS UPON REAUTHORIZATION BY THE LOCAL BOARD OF SCHOOL
13 DIRECTORS OR OTHER GOVERNING BODY OF A SCHOOL DISTRICT OR THE
14 APPEAL BOARD.

15 (III) UPON THE EFFECTIVE DATE OF THE REGULATIONS
16 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT TO
17 SECTION 1731.2-A, THE FOLLOWING SHALL APPLY:

18 (A) FOR CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS THAT
19 HAVE SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED BY THE
20 STATE BOARD OF EDUCATION PURSUANT TO SECTION 1731.2-A, A CHARTER
21 MAY BE RENEWED FOR TEN (10) YEAR PERIODS UPON REAUTHORIZATION BY
22 THE LOCAL BOARD OF SCHOOL DIRECTORS OR OTHER GOVERNING BODY OF A
23 SCHOOL DISTRICT OR THE APPEAL BOARD.

24 (B) FOR CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS THAT
25 HAVE NOT SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED BY
26 THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 1731.2-A, A
27 CHARTER MAY BE RENEWED FOR FIVE (5) YEAR PERIODS UPON
28 REAUTHORIZATION BY THE LOCAL BOARD OF SCHOOL DIRECTORS OR OTHER
29 GOVERNING BODY OF A SCHOOL DISTRICT OR THE APPEAL BOARD.

30 [(B) (1) NOTWITHSTANDING SUBSECTION (A), A GOVERNING BOARD

1 OF A SCHOOL DISTRICT OF THE FIRST CLASS MAY RENEW A CHARTER FOR
2 A PERIOD OF ONE (1) YEAR IF THE BOARD OF SCHOOL DIRECTORS
3 DETERMINES THAT THERE IS INSUFFICIENT DATA CONCERNING THE
4 CHARTER SCHOOL'S ACADEMIC PERFORMANCE TO ADEQUATELY ASSESS THAT
5 PERFORMANCE AND DETERMINES THAT AN ADDITIONAL YEAR OF
6 PERFORMANCE DATA WOULD YIELD SUFFICIENT DATA TO ASSIST THE
7 GOVERNING BOARD IN ITS DECISION WHETHER TO RENEW THE CHARTER FOR
8 A PERIOD OF FIVE (5) YEARS.

9 (2) A ONE-YEAR RENEWAL PURSUANT TO PARAGRAPH (1) SHALL NOT
10 BE CONSIDERED AN ADJUDICATION AND MAY NOT BE APPEALED TO THE
11 STATE CHARTER SCHOOL APPEAL BOARD.

12 (3) A GOVERNING BOARD OF A SCHOOL DISTRICT OF THE FIRST
13 CLASS DOES NOT HAVE THE AUTHORITY TO RENEW A CHARTER FOR
14 SUCCESSIVE ONE (1) YEAR PERIODS.]

15 (C) (1) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL MAY
16 REQUEST AMENDMENTS TO ITS APPROVED WRITTEN CHARTER BY FILING A
17 WRITTEN DOCUMENT DESCRIBING THE REQUESTED AMENDMENT WITH THE
18 LOCAL BOARD OF SCHOOL DIRECTORS.

19 (2) WITHIN TWENTY (20) DAYS OF ITS RECEIPT OF THE REQUEST
20 FOR AN AMENDMENT, THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL HOLD
21 A PUBLIC HEARING ON THE REQUESTED AMENDMENT UNDER 65 PA.C.S. CH.
22 7 (RELATING TO OPEN MEETINGS).

23 (3) WITHIN TWENTY (20) DAYS AFTER THE HEARING, THE LOCAL
24 BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE REQUESTED
25 AMENDMENT. FAILURE BY THE LOCAL BOARD OF SCHOOL DIRECTORS TO
26 HOLD A PUBLIC HEARING AND TO GRANT OR DENY THE AMENDMENT WITHIN
27 THE TIME PERIOD SPECIFIED IN THIS SUBSECTION SHALL BE DEEMED AN
28 APPROVAL.

29 (4) AN APPLICANT FOR AN AMENDMENT SHALL HAVE THE RIGHT TO
30 APPEAL THE DENIAL OF A REQUESTED AMENDMENT TO THE APPEAL BOARD

1 PROVIDED FOR UNDER SECTION 1721-A.

2 SECTION 10. SECTION 1721-A(A) AND (E) OF THE ACT, ADDED JUNE
3 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

4 SECTION 1721-A. STATE CHARTER SCHOOL APPEAL BOARD.-- (A) THE
5 STATE CHARTER SCHOOL APPEAL BOARD SHALL CONSIST OF THE SECRETARY
6 OF EDUCATION AND [SIX (6)] THE FOLLOWING MEMBERS WHO SHALL BE
7 APPOINTED BY THE GOVERNOR BY AND WITH THE CONSENT OF A MAJORITY
8 OF ALL THE MEMBERS OF THE SENATE. [APPOINTMENTS BY THE GOVERNOR
9 SHALL NOT OCCUR PRIOR TO JANUARY 1, 1999.] THE GOVERNOR SHALL
10 SELECT THE CHAIRMAN OF THE APPEAL BOARD TO SERVE AT THE PLEASURE
11 OF THE GOVERNOR. THE MEMBERS SHALL INCLUDE:

12 (1) A PARENT OF A SCHOOL-AGED CHILD ENROLLED IN A CHARTER
13 SCHOOL ENTITY.

14 (2) A SCHOOL BOARD MEMBER.

15 (3) A CERTIFIED TEACHER ACTIVELY EMPLOYED IN A PUBLIC
16 SCHOOL.

17 (4) A FACULTY MEMBER OR ADMINISTRATIVE EMPLOYEE OF AN
18 INSTITUTION OF HIGHER EDUCATION.

19 (5) A MEMBER OF THE BUSINESS COMMUNITY.

20 (6) A MEMBER OF THE STATE BOARD OF EDUCATION.

21 (7) AN ADMINISTRATOR OF A CHARTER SCHOOL ENTITY.

22 (8) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
23 ENTITY.

24 THE TERM OF OFFICE OF MEMBERS OF THE APPEAL BOARD, OTHER THAN
25 THE SECRETARY, SHALL BE FOR A PERIOD OF FOUR (4) YEARS OR UNTIL
26 A SUCCESSOR IS APPOINTED AND QUALIFIED, EXCEPT THAT, OF THE
27 INITIAL APPOINTEES, THE GOVERNOR SHALL DESIGNATE TWO (2) MEMBERS
28 TO SERVE TERMS OF TWO (2) YEARS, TWO (2) MEMBERS TO SERVE TERMS
29 OF THREE (3) YEARS AND TWO (2) MEMBERS TO SERVE TERMS OF FOUR
30 (4) YEARS. A PARENT MEMBER APPOINTED UNDER PARAGRAPH (1) SHALL

1 SERVE A TERM OF FOUR (4) YEARS, PROVIDED THE MEMBER'S CHILD
2 REMAINS ENROLLED IN THE CHARTER SCHOOL ENTITY. ANY APPOINTMENT
3 TO FILL ANY VACANCY SHALL BE FOR THE PERIOD OF THE UNEXPIRED
4 TERM OR UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIED.

5 * * *

6 (E) MEETINGS OF THE APPEAL BOARD SHALL BE CONDUCTED UNDER
7 [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
8 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
9 DOCUMENTS OF THE APPEAL BOARD SHALL BE SUBJECT TO THE [ACT OF
10 JUNE 21, 1957 (P.L.390, NO.212), REFERRED TO AS THE RIGHT-TO-
11 KNOW LAW] ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE
12 "RIGHT-TO-KNOW LAW".

13 SECTION 11. SECTION 1722-A(A), (B) AND (D) OF THE ACT,
14 AMENDED NOVEMBER 17, 2010 (P.L.996, NO.104), ARE AMENDED AND THE
15 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

16 SECTION 1722-A. FACILITIES.--(A) A CHARTER SCHOOL ENTITY
17 MAY BE LOCATED IN AN EXISTING PUBLIC SCHOOL BUILDING, IN A PART
18 OF AN EXISTING PUBLIC SCHOOL BUILDING, IN SPACE PROVIDED ON A
19 PRIVATELY OWNED SITE, IN A PUBLIC BUILDING OR IN ANY OTHER
20 SUITABLE LOCATION.

21 (B) THE CHARTER SCHOOL ENTITY FACILITY SHALL BE EXEMPT FROM
22 PUBLIC SCHOOL FACILITY REGULATIONS EXCEPT THOSE PERTAINING TO
23 THE HEALTH OR SAFETY OF [THE PUPILS] STUDENTS.

24 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, A
25 SCHOOL DISTRICT [OF THE FIRST CLASS] MAY, IN ITS DISCRETION,
26 PERMIT A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO OPERATE
27 ITS SCHOOL AT MORE THAN ONE LOCATION.

28 * * *

29 (F) (1) ALCOHOLIC BEVERAGES SHALL NOT BE AVAILABLE FOR
30 CONSUMPTION, PURCHASE OR SALE IN ANY CHARTER SCHOOL ENTITY

1 FACILITY.

2 (2) IF, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL CHARTER
3 SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS REASONABLY BELIEVES
4 THAT ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
5 CONSUMPTION, PURCHASE OR SALE IN THE CHARTER SCHOOL OR REGIONAL
6 CHARTER SCHOOL FACILITY, THE LOCAL BOARD OF SCHOOL DIRECTORS
7 SHALL NOTIFY THE DEPARTMENT.

8 (3) IF ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
9 CONSUMPTION, PURCHASE OR SALE IN A CHARTER SCHOOL ENTITY
10 FACILITY, THE SECRETARY SHALL ORDER THE FOLLOWING FORFEITURES
11 AGAINST THE CHARTER SCHOOL ENTITY:

12 (I) A FINE OF ONE THOUSAND DOLLARS (\$1,000) FOR THE FIRST
13 VIOLATION.

14 (II) A FINE OF FIVE THOUSAND DOLLARS (\$5,000) FOR THE SECOND
15 OR SUBSEQUENT VIOLATION.

16 (4) THE CHARTER SCHOOL ENTITY MAY APPEAL THE ORDER OF THE
17 SECRETARY UNDER 2 PA.C.S. CHS. 5 (RELATING TO PRACTICE AND
18 PROCEDURE) AND 7 (RELATING TO JUDICIAL REVIEW).

19 SECTION 12. SECTION 1723-A(A) AND (D) OF THE ACT, AMENDED OR
20 ADDED JUNE 26, 1999 (P.L.394, NO.36) AND JULY 9, 2008 (P.L.846,
21 NO.61), ARE AMENDED TO READ:

22 SECTION 1723-A. ENROLLMENT.--(A) ALL RESIDENT CHILDREN IN
23 THIS COMMONWEALTH QUALIFY FOR ADMISSION TO A CHARTER SCHOOL
24 ENTITY WITHIN THE PROVISIONS OF SUBSECTION (B). IF MORE STUDENTS
25 APPLY TO THE CHARTER SCHOOL ENTITY THAN THE NUMBER OF ATTENDANCE
26 SLOTS AVAILABLE IN THE SCHOOL, THEN STUDENTS MUST BE SELECTED ON
27 A RANDOM BASIS FROM A POOL OF QUALIFIED APPLICANTS MEETING THE
28 ESTABLISHED ELIGIBILITY CRITERIA AND SUBMITTING AN APPLICATION
29 BY THE DEADLINE ESTABLISHED BY THE CHARTER SCHOOL ENTITY, EXCEPT
30 THAT THE CHARTER SCHOOL ENTITY MAY GIVE PREFERENCE IN ENROLLMENT

1 TO A CHILD OF A PARENT WHO HAS ACTIVELY PARTICIPATED IN THE
2 DEVELOPMENT OF THE CHARTER SCHOOL [AND] ENTITY, TO SIBLINGS OF
3 STUDENTS PRESENTLY ENROLLED IN THE CHARTER SCHOOL ENTITY AND TO
4 SIBLINGS OF STUDENTS SELECTED FOR ENROLLMENT DURING THE LOTTERY
5 PROCESS. FIRST PREFERENCE SHALL BE GIVEN TO STUDENTS WHO RESIDE
6 IN THE DISTRICT OR DISTRICTS IN WHICH THE CHARTER SCHOOL ENTITY
7 IS PHYSICALLY LOCATED.

8 * * *

9 (D) (1) ENROLLMENT OF STUDENTS IN A CHARTER SCHOOL,
10 REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL SHALL NOT BE
11 SUBJECT TO A CAP OR OTHERWISE LIMITED BY ANY PAST OR FUTURE
12 ACTION OF A BOARD OF SCHOOL DIRECTORS, A BOARD OF CONTROL
13 ESTABLISHED UNDER ARTICLE XVII-B, A SPECIAL BOARD OF CONTROL
14 ESTABLISHED UNDER SECTION 692 OR ANY OTHER GOVERNING AUTHORITY[,
15 UNLESS AGREED TO BY THE CHARTER SCHOOL OR CYBER CHARTER SCHOOL
16 AS PART OF A WRITTEN CHARTER PURSUANT TO SECTION 1720-A].

17 (2) THE PROVISIONS OF THIS SUBSECTION SHALL APPLY TO A
18 CHARTER SCHOOL, REGIONAL CHARTER SCHOOL OR CYBER CHARTER SCHOOL
19 REGARDLESS OF WHETHER THE CHARTER WAS APPROVED PRIOR TO OR IS
20 APPROVED SUBSEQUENT TO THE EFFECTIVE DATE OF THIS SUBSECTION.

21 SECTION 13. SECTION 1725-A OF THE ACT, AMENDED OR ADDED JUNE
22 19, 1997 (P.L.225, NO.22), JUNE 22, 2001 (P.L.530, NO.35) AND
23 JUNE 29, 2002 (P.L.524, NO.88), IS AMENDED TO READ:

24 SECTION 1725-A. FUNDING FOR CHARTER [SCHOOLS] SCHOOL
25 ENTITIES.--(A) FUNDING FOR A CHARTER SCHOOL ENTITY SHALL BE
26 PROVIDED IN THE FOLLOWING MANNER:

27 (1) THERE SHALL BE NO TUITION CHARGE FOR A RESIDENT OR
28 NONRESIDENT STUDENT ATTENDING A CHARTER SCHOOL ENTITY.

29 (2) [FOR NON-SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
30 SHALL RECEIVE FOR EACH STUDENT ENROLLED NO LESS THAN THE

1 BUDGETED TOTAL EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE
2 PRIOR SCHOOL YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE
3 BUDGETED EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR NONPUBLIC
4 SCHOOL PROGRAMS; ADULT EDUCATION PROGRAMS; COMMUNITY/JUNIOR
5 COLLEGE PROGRAMS; STUDENT TRANSPORTATION SERVICES; FOR SPECIAL
6 EDUCATION PROGRAMS; FACILITIES ACQUISITION, CONSTRUCTION AND
7 IMPROVEMENT SERVICES; AND OTHER FINANCING USES, INCLUDING DEBT
8 SERVICE AND FUND TRANSFERS AS PROVIDED IN THE MANUAL OF
9 ACCOUNTING AND RELATED FINANCIAL PROCEDURES FOR PENNSYLVANIA
10 SCHOOL SYSTEMS ESTABLISHED BY THE DEPARTMENT. THIS AMOUNT SHALL
11 BE PAID BY THE DISTRICT OF RESIDENCE OF EACH STUDENT.] FOR NON-
12 SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL ENTITY SHALL
13 RECEIVE FOR EACH STUDENT ENROLLED THE FOLLOWING, WHICH SHALL BE
14 PAID BY THE SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT BY
15 DEDUCTION AND TRANSFER FROM ALL STATE PAYMENTS DUE TO THE SCHOOL
16 DISTRICT OF RESIDENCE AS PROVIDED FOR UNDER CLAUSE (5):

17 (I) SUBJECT TO CLAUSE (II), NO LESS THAN THE BUDGETED TOTAL
18 EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE PRIOR SCHOOL
19 YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE BUDGETED
20 EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR NONPUBLIC SCHOOL
21 PROGRAMS; ADULT EDUCATION PROGRAMS; COMMUNITY/JUNIOR COLLEGE
22 PROGRAMS; STUDENT TRANSPORTATION SERVICES; FOR SPECIAL EDUCATION
23 PROGRAMS; FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT
24 SERVICES; AND OTHER FINANCING USES, INCLUDING DEBT SERVICE AND
25 FUND TRANSFERS AS PROVIDED IN THE MANUAL OF ACCOUNTING AND
26 RELATED FINANCIAL PROCEDURES FOR PENNSYLVANIA SCHOOL SYSTEMS
27 ESTABLISHED BY THE DEPARTMENT.

28 (II) BEGINNING IN THE 2013-2014 SCHOOL YEAR AND THROUGH AND
29 INCLUDING THE 2014-2015 SCHOOL YEAR, THE FOLLOWING:

30 (A) FOR EACH STUDENT ENROLLED IN A CHARTER SCHOOL OR

1 REGIONAL CHARTER SCHOOL, NO LESS THAN THE BUDGETED TOTAL
2 EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE PRIOR SCHOOL
3 YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE BUDGETED
4 EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR NONPUBLIC SCHOOL
5 PROGRAMS; ADULT EDUCATION PROGRAMS; COMMUNITY/JUNIOR COLLEGE
6 PROGRAMS; STUDENT TRANSPORTATION SERVICES; SPECIAL EDUCATION
7 PROGRAMS; FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT
8 SERVICES; AND OTHER FINANCING USES, INCLUDING DEBT SERVICE AND
9 FUND TRANSFERS AS PROVIDED IN THE MANUAL OF ACCOUNTING AND
10 RELATED FINANCIAL PROCEDURES FOR PENNSYLVANIA SCHOOL SYSTEMS
11 ESTABLISHED BY THE DEPARTMENT.

12 (B) FOR EACH STUDENT ENROLLED IN A CYBER CHARTER SCHOOL, NO
13 LESS THAN THE BUDGETED TOTAL EXPENDITURE PER AVERAGE DAILY
14 MEMBERSHIP OF THE PRIOR SCHOOL YEAR, AS DEFINED IN SECTION
15 2501(20), MINUS THE BUDGETED EXPENDITURES OF THE DISTRICT OF
16 RESIDENCE FOR NONPUBLIC SCHOOL PROGRAMS; ADULT EDUCATION
17 PROGRAMS; COMMUNITY/JUNIOR COLLEGE PROGRAMS; STUDENT
18 TRANSPORTATION SERVICES; SPECIAL EDUCATION PROGRAMS; FACILITIES
19 ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES; OTHER
20 FINANCING USES, INCLUDING DEBT SERVICE AND FUND TRANSFERS AS
21 PROVIDED IN THE MANUAL OF ACCOUNTING AND RELATED FINANCIAL
22 PROCEDURES FOR PENNSYLVANIA SCHOOL SYSTEMS ESTABLISHED BY THE
23 DEPARTMENT; FOOD SERVICES; AND THE FULL EMPLOYER'S SHARE OF
24 RETIREMENT CONTRIBUTIONS PAID TO THE PUBLIC SCHOOL EMPLOYEES'
25 RETIREMENT SYSTEM.

26 (2.1) THE AMOUNT UNDER CLAUSE (2) SHALL BE CALCULATED BY
27 EACH SCHOOL DISTRICT ON A FORM PRESCRIBED BY THE SECRETARY IN
28 ACCORDANCE WITH THIS SECTION. THE SECRETARY, UPON RECEIPT OF A
29 SCHOOL DISTRICT'S CALCULATION, SHALL REVIEW THE SCHOOL
30 DISTRICT'S CALCULATION AND MAY REQUEST SUPPORTING DOCUMENTATION

1 FROM THE SCHOOL DISTRICT REGARDING ITS CALCULATION. IF THE
2 SECRETARY FINDS AN ERROR OR DISCREPANCY IN A SCHOOL DISTRICT'S
3 CALCULATION, THE SECRETARY SHALL REQUIRE THE SCHOOL DISTRICT TO
4 CORRECT THE CALCULATION AND REQUIRE THE SCHOOL DISTRICT TO
5 NOTIFY AFFECTED CHARTER SCHOOL ENTITIES.

6 (3) [FOR SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
7 SHALL RECEIVE FOR EACH STUDENT ENROLLED THE SAME FUNDING AS FOR
8 EACH NON-SPECIAL EDUCATION STUDENT AS PROVIDED IN CLAUSE (2),
9 PLUS AN ADDITIONAL AMOUNT DETERMINED BY DIVIDING THE DISTRICT OF
10 RESIDENCE'S TOTAL SPECIAL EDUCATION EXPENDITURE BY THE PRODUCT
11 OF MULTIPLYING THE COMBINED PERCENTAGE OF SECTION 2509.5(K)
12 TIMES THE DISTRICT OF RESIDENCE'S TOTAL AVERAGE DAILY MEMBERSHIP
13 FOR THE PRIOR SCHOOL YEAR. THIS AMOUNT SHALL BE PAID BY THE
14 DISTRICT OF RESIDENCE OF EACH STUDENT.] FOR SPECIAL EDUCATION
15 STUDENTS, THE CHARTER SCHOOL ENTITY SHALL RECEIVE FOR EACH
16 STUDENT ENROLLED THE SAME FUNDING AS FOR EACH NON-SPECIAL
17 EDUCATION STUDENT AS PROVIDED UNDER CLAUSE (2), PLUS AN
18 ADDITIONAL AMOUNT DETERMINED BY DIVIDING THE TOTAL SPECIAL
19 EDUCATION EXPENDITURE OF THE SCHOOL DISTRICT OF RESIDENCE BY THE
20 PRODUCT OF:

21 (I) THE COMBINED PERCENTAGE OF SECTION 2509.5(K) APPLICABLE
22 TO THE SCHOOL YEAR; AND

23 (II) THE TOTAL AVERAGE DAILY MEMBERSHIP OF THE SCHOOL
24 DISTRICT OF RESIDENCE FOR THE PRIOR SCHOOL YEAR.

25 (3.1) THE FOLLOWING APPLY:

26 (I) THE AMOUNT UNDER CLAUSES (2) AND (3) SHALL BE PAID BY
27 THE SCHOOL DISTRICT OF RESIDENCE OF EACH STUDENT BY DEDUCTION
28 AND TRANSFER FROM ALL STATE PAYMENTS DUE TO THE SCHOOL DISTRICT
29 OF RESIDENCE AS PROVIDED UNDER CLAUSE (5).

30 (II) IF A CHARTER SCHOOL ENTITY DISPUTES THE ACCURACY OF A

1 SCHOOL DISTRICT'S CALCULATION UNDER CLAUSES (2) AND (3), THE
2 CHARTER SCHOOL ENTITY SHALL FILE A NOTICE OF THE DISPUTE WITH
3 THE SECRETARY, WHO SHALL HOLD A HEARING TO DETERMINE THE
4 ACCURACY OF THE SCHOOL DISTRICT'S CALCULATION WITHIN THIRTY (30)
5 DAYS OF THE NOTICE.

6 (III) THE SECRETARY SHALL DETERMINE THE ACCURACY OF THE
7 SCHOOL DISTRICT'S CALCULATION AND MAKE ANY NECESSARY BILLING
8 ADJUSTMENT WITHIN THIRTY (30) DAYS OF THE HEARING.

9 (IV) THE SCHOOL DISTRICT SHALL BEAR THE BURDEN OF PRODUCTION
10 AND PROOF WITH RESPECT TO ITS CALCULATION UNDER THIS CLAUSE.

11 (V) THE SCHOOL DISTRICT SHALL BE LIABLE FOR THE REASONABLE
12 LEGAL FEES INCURRED BY A CHARTER SCHOOL ENTITY IF THE CHARTER
13 SCHOOL ENTITY IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A
14 HEARING UNDER THIS SECTION. THE CHARTER SCHOOL ENTITY SHALL BE
15 LIABLE FOR THE REASONABLE LEGAL FEES INCURRED BY THE SCHOOL
16 DISTRICT IF THE SCHOOL DISTRICT IS THE SUBSTANTIALLY PREVAILING
17 PARTY AFTER A HEARING UNDER THIS SECTION.

18 (VI) ALL DECISIONS OF THE SECRETARY UNDER THIS CLAUSE SHALL
19 BE SUBJECT TO APPELLATE REVIEW BY COMMONWEALTH COURT.

20 (4) [A CHARTER SCHOOL MAY REQUEST THE INTERMEDIATE UNIT IN
21 WHICH THE CHARTER SCHOOL IS LOCATED TO PROVIDE SERVICES TO
22 ASSIST THE CHARTER SCHOOL TO ADDRESS THE SPECIFIC NEEDS OF
23 EXCEPTIONAL STUDENTS. THE INTERMEDIATE UNIT SHALL ASSIST THE
24 CHARTER SCHOOL AND BILL THE CHARTER SCHOOL FOR THE SERVICES. THE
25 INTERMEDIATE UNIT MAY NOT CHARGE THE CHARTER SCHOOL MORE FOR ANY
26 SERVICE THAN IT CHARGES THE CONSTITUENT DISTRICTS OF THE
27 INTERMEDIATE UNIT.] A CHARTER SCHOOL ENTITY MAY REQUEST THE
28 INTERMEDIATE UNIT OR SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL
29 ENTITY IS LOCATED TO PROVIDE SERVICES TO ASSIST THE CHARTER
30 SCHOOL ENTITY TO ADDRESS THE SPECIFIC NEEDS OF NON-SPECIAL

1 EDUCATION AND SPECIAL EDUCATION STUDENTS. THE INTERMEDIATE UNIT
2 OR SCHOOL DISTRICT SHALL ASSIST THE CHARTER SCHOOL ENTITY AND
3 BILL THE CHARTER SCHOOL ENTITY FOR THE SERVICES. THE
4 INTERMEDIATE UNIT MAY NOT CHARGE THE CHARTER SCHOOL ENTITY MORE
5 FOR ANY SERVICE THAN IT CHARGES THE CONSTITUENT DISTRICTS OF THE
6 INTERMEDIATE UNIT. NOTHING UNDER THIS CLAUSE SHALL PRECLUDE AN
7 INTERMEDIATE UNIT OR SCHOOL DISTRICT FROM CONTRACTING WITH A
8 CHARTER SCHOOL ENTITY TO PROVIDE THE INTERMEDIATE UNIT OR SCHOOL
9 DISTRICT WITH SERVICES TO ASSIST THE INTERMEDIATE UNIT OR SCHOOL
10 DISTRICT TO ADDRESS SPECIFIC NEEDS OF NON-SPECIAL EDUCATION AND
11 SPECIAL EDUCATION STUDENTS.

12 (5) [PAYMENTS SHALL BE MADE TO THE CHARTER SCHOOL IN TWELVE
13 (12) EQUAL MONTHLY PAYMENTS, BY THE FIFTH DAY OF EACH MONTH,
14 WITHIN THE OPERATING SCHOOL YEAR. A STUDENT ENROLLED IN A
15 CHARTER SCHOOL SHALL BE INCLUDED IN THE AVERAGE DAILY MEMBERSHIP
16 OF THE STUDENT'S DISTRICT OF RESIDENCE FOR THE PURPOSE OF
17 PROVIDING BASIC EDUCATION FUNDING PAYMENTS AND SPECIAL EDUCATION
18 FUNDING PURSUANT TO ARTICLE XXV. IF A SCHOOL DISTRICT FAILS TO
19 MAKE A PAYMENT TO A CHARTER SCHOOL AS PRESCRIBED IN THIS CLAUSE,
20 THE SECRETARY SHALL DEDUCT THE ESTIMATED AMOUNT, AS DOCUMENTED
21 BY THE CHARTER SCHOOL, FROM ANY AND ALL STATE PAYMENTS MADE TO
22 THE DISTRICT AFTER RECEIPT OF DOCUMENTATION FROM THE CHARTER
23 SCHOOL.] BEGINNING IN THE 2013-2014 SCHOOL YEAR, THE FOLLOWING
24 APPLY:

25 (I) PAYMENTS SHALL BE MADE TO THE CHARTER SCHOOL ENTITY IN
26 TWELVE (12) EQUAL MONTHLY PAYMENTS, ACCORDING TO THE ESTABLISHED
27 MONTHLY UNIPAY SCHEDULE WITHIN THE OPERATING SCHOOL YEAR OR ANY
28 SUBSEQUENT SCHOOL YEAR.

29 (II) EXCEPT AS PROVIDED FOR IN SUBCLAUSE (V), PAYMENTS SHALL
30 BE MADE DIRECTLY BY THE SECRETARY DEDUCTING AND PAYING TO THE

1 CHARTER SCHOOL ENTITY THE ESTIMATED AMOUNT, AS DOCUMENTED BY THE
2 CHARTER SCHOOL ENTITY, FROM:

3 (A) ALL STATE PAYMENTS DUE TO THE SCHOOL DISTRICT OF
4 RESIDENCE; OR

5 (B) IF NO PAYMENTS ARE DUE TO THE SCHOOL DISTRICT OF
6 RESIDENCE, FROM ALL STATE PAYMENTS REASONABLY EXPECTED TO BE DUE
7 IN THE NEXT ESTABLISHED MONTHLY UNIPAY SCHEDULE, AFTER RECEIPT
8 OF DOCUMENTATION FROM THE CHARTER SCHOOL ENTITY AS TO ITS
9 ENROLLMENT.

10 (III) AT LEAST THIRTY (30) DAYS PRIOR TO THE SCHEDULED
11 PAYMENT DATE EACH MONTH, A CHARTER SCHOOL ENTITY SHALL PROVIDE
12 TO THE DEPARTMENT AND TO THE SCHOOL DISTRICT OF RESIDENCE OF
13 EACH STUDENT ENROLLED IN THE CHARTER SCHOOL ENTITY DOCUMENTATION
14 OF THE CHARTER SCHOOL ENTITY'S ENROLLMENT, ON A FORM TO BE
15 DEVELOPED BY THE SECRETARY WITHIN SIXTY (60) DAYS OF THE
16 EFFECTIVE DATE OF THIS SECTION. THE FORM, WHICH SHALL BE
17 DEVELOPED IN CONSULTATION WITH REPRESENTATIVES OF CHARTER SCHOOL
18 ENTITIES AND SCHOOL DISTRICTS, SHALL REQUIRE THE CHARTER SCHOOL
19 ENTITY TO PROVIDE TO THE DEPARTMENT AND TO THE SCHOOL DISTRICT
20 OF RESIDENCE OF EACH STUDENT ENROLLED IN THE CHARTER SCHOOL
21 ENTITY, DOCUMENTATION OF EACH STUDENT'S CURRENT ENROLLMENT IN
22 THE CHARTER SCHOOL ENTITY AND CURRENT RESIDENCE IN THE SCHOOL
23 DISTRICT, INCLUDING THE FOLLOWING INFORMATION:

24 (A) STUDENT'S NAME.

25 (B) STUDENT'S HOME ADDRESS.

26 (C) NAME AND TELEPHONE NUMBER OF STUDENT'S PARENT OR
27 GUARDIAN.

28 (D) STUDENT'S DATE OF BIRTH.

29 (E) STUDENT'S GRADE LEVEL.

30 (F) TYPE OF SCHOOL IN WHICH STUDENT WAS PREVIOUSLY ENROLLED.

1 (G) STUDENT'S DATE OF ENROLLMENT.

2 (H) WHETHER EACH STUDENT IS BEING EDUCATED UNDER AN
3 INDIVIDUALIZED EDUCATION PLAN UNDER THE INDIVIDUALS WITH
4 DISABILITIES EDUCATION ACT (PUBLIC LAW 91-230, 20 U.S.C. § 1400
5 ET SEQ.).

6 (I) THE TUITION AMOUNT DUE ON ACCOUNT OF EACH STUDENT.

7 (J) THE TOTAL AMOUNT DUE FROM THE SCHOOL DISTRICT FOR THAT
8 MONTH.

9 (K) COPIES OF THE ACTUAL DOCUMENTS USED BY THE CHARTER
10 SCHOOL ENTITY TO VERIFY EACH STUDENT'S RESIDENCE IN THE SCHOOL
11 DISTRICT.

12 THE SECRETARY SHALL NOT MAKE PAYMENTS UNDER THIS SECTION UNTIL
13 THE CHARTER SCHOOL ENTITY PROVIDES THE DEPARTMENT AND THE SCHOOL
14 DISTRICT OR RESIDENCE WITH A COMPLETED FORM AND ACCOMPANYING
15 DOCUMENTATION AS REQUIRED UNDER THIS CLAUSE. A CHARTER SCHOOL
16 ENTITY MAY MAKE ONLY ONE (1) PAYMENT REQUEST PER MONTH UNDER
17 THIS CLAUSE. AFTER A CHARTER SCHOOL ENTITY MAKES A PAYMENT
18 REQUEST UNDER THIS CLAUSE, ANY NECESSARY CORRECTIONS OR
19 ADJUSTMENTS MAY BE MADE IN THE NEXT SUBSEQUENT MONTHLY PAYMENT
20 REQUEST.

21 (IV) THE SECRETARY'S OBLIGATION TO MAKE PAYMENTS UNDER THIS
22 SECTION IS MANDATORY AND MINISTERIAL, EXCEPT THAT PAYMENTS MADE
23 PURSUANT TO THIS SECTION SHALL NOT BE GIVEN PRIORITY OVER
24 PAYMENTS REQUIRED PURSUANT TO SECTIONS 633 AND 785 AND 53
25 PA.C.S. § 8125(B) (RELATING TO SECURITY FOR TAX ANTICIPATION
26 NOTES AND SINKING FUND), OR AN AGREEMENT PURSUANT TO WHICH THE
27 COMMONWEALTH IS REQUIRED TO MAKE PAYMENT TO A HOLDER OF DEBT
28 ISSUED BY OR ON BEHALF OF A SCHOOL ENTITY. IF PAYMENTS REQUIRED
29 UNDER SECTIONS 633 AND 785 AND 53 PA.C.S. § 8125(B) PRECLUDE THE
30 TIMELY PAYMENT OF FUNDS TO A CHARTER SCHOOL ENTITY UNDER SECTION

1 1725-A OR WILL CAUSE THE BOARD OF SCHOOL DIRECTORS OF A SCHOOL
2 DISTRICT TO FAIL TO PAY OR PROVIDE FOR PAYMENT UNDER THIS
3 SUBSECTION, NOTHING SHALL PRECLUDE THE SECRETARY FROM
4 WITHHOLDING FUNDS FROM ANY AND ALL STATE PAYMENTS MADE TO THE
5 SCHOOL DISTRICT FOR THE OPERATING SCHOOL YEAR OR FOR ANY
6 SUBSEQUENT OPERATING SCHOOL YEAR.

7 (V) IF THERE ARE INSUFFICIENT STATE PAYMENTS DUE TO A SCHOOL
8 DISTRICT IN THE ESTABLISHED MONTHLY UNIPAY SCHEDULE TO COVER ALL
9 CHARTER SCHOOL ENTITY DEDUCTIONS AND TRANSFERS, THE SCHOOL
10 DISTRICT SHALL BE RESPONSIBLE FOR PAYING THE UNPAID BALANCE
11 DIRECTLY TO THE CHARTER SCHOOL ENTITY NOT MORE THAN TEN (10)
12 DAYS FOLLOWING THE ESTABLISHED MONTHLY UNIPAY SCHEDULE.

13 (VI) A STUDENT ENROLLED IN A CHARTER SCHOOL ENTITY SHALL BE
14 INCLUDED IN THE AVERAGE DAILY MEMBERSHIP OF THE STUDENT'S SCHOOL
15 DISTRICT OF RESIDENCE FOR THE PURPOSE OF PROVIDING BASIC
16 EDUCATION FUNDING PAYMENTS AND SPECIAL EDUCATION FUNDING UNDER
17 ARTICLE XXV.

18 (6) [WITHIN THIRTY (30) DAYS AFTER THE SECRETARY MAKES THE
19 DEDUCTION DESCRIBED IN CLAUSE (5), A SCHOOL DISTRICT MAY NOTIFY
20 THE SECRETARY THAT THE DEDUCTION MADE FROM STATE PAYMENTS TO THE
21 DISTRICT UNDER THIS SUBSECTION IS INACCURATE. THE SECRETARY
22 SHALL PROVIDE THE SCHOOL DISTRICT WITH AN OPPORTUNITY TO BE
23 HEARD CONCERNING WHETHER THE CHARTER SCHOOL DOCUMENTED THAT ITS
24 STUDENTS WERE ENROLLED IN THE CHARTER SCHOOL, THE PERIOD OF TIME
25 DURING WHICH EACH STUDENT WAS ENROLLED, THE SCHOOL DISTRICT OF
26 RESIDENCE OF EACH STUDENT AND WHETHER THE AMOUNTS DEDUCTED FROM
27 THE SCHOOL DISTRICT WERE ACCURATE.] THE FOLLOWING APPLY:

28 (I) WITHIN THIRTY (30) DAYS AFTER THE PAYMENT IS MADE TO THE
29 CHARTER SCHOOL ENTITY AS DESCRIBED UNDER CLAUSE (5), A SCHOOL
30 DISTRICT MAY NOTIFY THE SECRETARY THAT THE ESTIMATED AMOUNT, AS

1 DOCUMENTED BY THE CHARTER SCHOOL ENTITY, IS INACCURATE.

2 (II) WITHIN THIRTY (30) DAYS OF THE NOTICE BY THE SCHOOL
3 DISTRICT UNDER SUBCLAUSE (I), THE SECRETARY SHALL PROVIDE THE
4 SCHOOL DISTRICT WITH A HEARING CONCERNING WHETHER THE CHARTER
5 SCHOOL ENTITY DOCUMENTED THAT STUDENTS WERE ENROLLED IN THE
6 CHARTER SCHOOL ENTITY, THE PERIOD OF TIME DURING WHICH EACH
7 STUDENT WAS ENROLLED IN THE CHARTER SCHOOL ENTITY, THE SCHOOL
8 DISTRICT OF RESIDENCE OF EACH STUDENT ENROLLED IN THE CHARTER
9 SCHOOL ENTITY AND WHETHER THE AMOUNTS DEDUCTED FROM OR PAID BY
10 THE SCHOOL DISTRICT WERE ACCURATE.

11 (III) THE BURDEN OF PROOF AND PRODUCTION AT THE HEARING
12 SHALL BE ON THE SCHOOL DISTRICT. A HEARING SHALL NOT BE HELD
13 BEFORE THE SECRETARY DEDUCTS AND TRANSFERS TO THE CHARTER SCHOOL
14 ENTITY THE AMOUNT ESTIMATED BY THE CHARTER SCHOOL ENTITY.

15 (IV) THE SECRETARY SHALL DETERMINE THE ACCURACY OF THE
16 AMOUNT DOCUMENTED BY THE CHARTER SCHOOL ENTITY AND MAKE ANY
17 NECESSARY PAYMENT ADJUSTMENT WITHIN THIRTY (30) DAYS OF THE
18 HEARING.

19 (V) THE SCHOOL DISTRICT SHALL BE LIABLE FOR THE REASONABLE
20 LEGAL FEES INCURRED BY A CHARTER SCHOOL ENTITY IF THE CHARTER
21 SCHOOL ENTITY IS THE SUBSTANTIALLY PREVAILING PARTY AFTER A
22 HEARING UNDER THIS SECTION. THE CHARTER SCHOOL ENTITY SHALL BE
23 LIABLE FOR THE REASONABLE LEGAL FEES INCURRED BY THE SCHOOL
24 DISTRICT IF THE SCHOOL DISTRICT IS THE SUBSTANTIALLY PREVAILING
25 PARTY AFTER A HEARING UNDER THIS SECTION.

26 (VI) ALL DECISIONS OF THE SECRETARY UNDER THIS SECTION SHALL
27 BE SUBJECT TO APPELLATE REVIEW BY COMMONWEALTH COURT.

28 (VII) SUPERSEDEAS SHALL NOT BE GRANTED TO THE SECRETARY OR
29 ANY PARTY TO THE PROCEEDING ON AN APPEAL FROM THE DECISION OF
30 THE SECRETARY UNDER THIS SECTION; AND, ABSENT A COURT ORDER, THE

1 SECRETARY SHALL NOT HOLD ANY PAYMENTS IN ESCROW.

2 [(B) THE COMMONWEALTH SHALL PROVIDE TEMPORARY FINANCIAL
3 ASSISTANCE TO A SCHOOL DISTRICT DUE TO THE ENROLLMENT OF
4 STUDENTS IN A CHARTER SCHOOL WHO ATTENDED A NONPUBLIC SCHOOL IN
5 THE PRIOR SCHOOL YEAR IN ORDER TO OFFSET THE ADDITIONAL COSTS
6 DIRECTLY RELATED TO THE ENROLLMENT OF THOSE STUDENTS IN A PUBLIC
7 CHARTER SCHOOL. THE COMMONWEALTH SHALL PAY THE SCHOOL DISTRICT
8 OF RESIDENCE OF A STUDENT ENROLLED IN A NONPUBLIC SCHOOL IN THE
9 PRIOR SCHOOL YEAR WHO IS ATTENDING A CHARTER SCHOOL AN AMOUNT
10 EQUAL TO THE SCHOOL DISTRICT OF RESIDENCE'S BASIC EDUCATION
11 SUBSIDY FOR THE CURRENT SCHOOL YEAR DIVIDED BY THE DISTRICT'S
12 AVERAGE DAILY MEMBERSHIP FOR THE PRIOR SCHOOL YEAR. THIS PAYMENT
13 SHALL OCCUR ONLY FOR THE FIRST YEAR OF THE ATTENDANCE OF THE
14 STUDENT IN A CHARTER SCHOOL, STARTING WITH SCHOOL YEAR 1997-
15 1998. TOTAL PAYMENTS OF TEMPORARY FINANCIAL ASSISTANCE TO SCHOOL
16 DISTRICTS ON BEHALF OF A STUDENT ENROLLING IN A CHARTER SCHOOL
17 WHO ATTENDED A NONPUBLIC SCHOOL IN THE PRIOR SCHOOL YEAR SHALL
18 BE LIMITED TO FUNDS APPROPRIATED FOR THIS PROGRAM IN A FISCAL
19 YEAR. IF THE TOTAL OF THE AMOUNT NEEDED FOR ALL STUDENTS
20 ENROLLED IN A NONPUBLIC SCHOOL IN THE PRIOR SCHOOL YEAR WHO
21 ENROLL IN A CHARTER SCHOOL EXCEEDS THE APPROPRIATION FOR THE
22 TEMPORARY FINANCIAL ASSISTANCE PROGRAM, THE AMOUNT PAID TO A
23 SCHOOL DISTRICT FOR EACH QUALIFYING STUDENT SHALL BE PRO RATA
24 REDUCED. RECEIPT OF FUNDS UNDER THIS SUBSECTION SHALL NOT
25 PRECLUDE A SCHOOL DISTRICT FROM APPLYING FOR A GRANT UNDER
26 SUBSECTION (C).

27 (C) THE COMMONWEALTH SHALL CREATE A GRANT PROGRAM TO PROVIDE
28 TEMPORARY TRANSITIONAL FUNDING TO A SCHOOL DISTRICT DUE TO THE
29 BUDGETARY IMPACT RELATING TO ANY STUDENT'S FIRST-YEAR ATTENDANCE
30 AT A CHARTER SCHOOL. THE DEPARTMENT SHALL DEVELOP CRITERIA WHICH

1 SHALL INCLUDE, BUT NOT BE LIMITED TO, THE OVERALL FISCAL IMPACT
2 ON THE BUDGET OF THE SCHOOL DISTRICT RESULTING FROM STUDENTS OF
3 A SCHOOL DISTRICT ATTENDING A CHARTER SCHOOL. THE CRITERIA SHALL
4 BE PUBLISHED IN THE PENNSYLVANIA BULLETIN. THIS SUBSECTION SHALL
5 NOT APPLY TO A PUBLIC SCHOOL CONVERTED TO A CHARTER SCHOOL UNDER
6 SECTION 1717-A(B). GRANTS SHALL BE LIMITED TO FUNDS APPROPRIATED
7 FOR THIS PURPOSE.]

8 (D) IT SHALL BE LAWFUL FOR ANY CHARTER SCHOOL ENTITY TO
9 RECEIVE, HOLD, MANAGE AND USE, ABSOLUTELY OR IN TRUST, ANY
10 DEVISE, BEQUEST, GRANT, ENDOWMENT, GIFT OR DONATION OF ANY
11 PROPERTY, REAL OR PERSONAL AND/OR MIXED, WHICH SHALL BE MADE TO
12 THE CHARTER SCHOOL ENTITY FOR ANY OF THE PURPOSES OF THIS
13 ARTICLE.

14 (E) IT SHALL BE UNLAWFUL FOR ANY TRUSTEE OF A CHARTER SCHOOL
15 ENTITY OR ANY BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY OR
16 ANY OTHER PERSON AFFILIATED IN ANY WAY WITH A CHARTER SCHOOL
17 ENTITY TO DEMAND OR REQUEST, DIRECTLY OR INDIRECTLY, ANY GIFT,
18 DONATION OR CONTRIBUTION OF ANY KIND FROM ANY PARENT, TEACHER,
19 EMPLOYE OR ANY OTHER PERSON AFFILIATED WITH THE CHARTER SCHOOL
20 ENTITY AS A CONDITION FOR EMPLOYMENT OR ENROLLMENT AND/OR
21 CONTINUED ATTENDANCE OF ANY PUPIL. ANY DONATION, GIFT OR
22 CONTRIBUTION RECEIVED BY A CHARTER SCHOOL ENTITY SHALL BE GIVEN
23 FREELY AND VOLUNTARILY.

24 (F) A CHARTER SCHOOL ENTITY MAY NOT PROVIDE DISCOUNTS TO A
25 SCHOOL DISTRICT OR WAIVE PAYMENTS UNDER THIS SECTION FOR ANY
26 STUDENT.

27 SECTION 14. SECTION 1728-A OF THE ACT, ADDED JUNE 19, 1997,
28 (P.L.225, NO.22), IS AMENDED TO READ:

29 SECTION 1728-A. ANNUAL REPORTS AND ASSESSMENTS.--(A) (1)
30 THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL ANNUALLY ASSESS

1 WHETHER EACH CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL IS
2 MEETING THE GOALS OF ITS CHARTER AND SHALL CONDUCT A
3 COMPREHENSIVE REVIEW PRIOR TO [GRANTING A FIVE (5) YEAR RENEWAL
4 OF THE CHARTER] RENEWING THE CHARTER PURSUANT TO SECTION 1720-
5 A(A) (2). THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL HAVE ONGOING
6 ACCESS TO THE RECORDS AND FACILITIES OF THE CHARTER SCHOOL OR
7 REGIONAL CHARTER SCHOOL TO ENSURE THAT THE CHARTER SCHOOL OR
8 REGIONAL CHARTER SCHOOL IS IN COMPLIANCE WITH ITS CHARTER AND
9 THIS ACT AND THAT REQUIREMENTS FOR TESTING, CIVIL RIGHTS AND
10 STUDENT HEALTH AND SAFETY ARE BEING MET.

11 (2) ONGOING ACCESS TO A CHARTER SCHOOL'S OR REGIONAL CHARTER
12 SCHOOL'S RECORDS SHALL MEAN THAT THE LOCAL BOARD OF SCHOOL
13 DIRECTORS SHALL HAVE ACCESS TO RECORDS SUCH AS FINANCIAL
14 REPORTS, FINANCIAL AUDITS, AGGREGATE STANDARDIZED TEST SCORES
15 WITHOUT STUDENT-IDENTIFYING INFORMATION AND TEACHER
16 CERTIFICATION AND PERSONNEL RECORDS.

17 (3) CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS SHALL
18 COMPLY FULLY WITH THE REQUIREMENTS OF THE FAMILY EDUCATIONAL
19 RIGHTS AND PRIVACY ACT OF 1974 (PUBLIC LAW 90-247, 20 U.S.C. §
20 1232G) AND ASSOCIATED REGULATIONS. NO PERSONALLY IDENTIFIABLE
21 INFORMATION FROM EDUCATION RECORDS SHALL BE PROVIDED BY THE
22 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO THE SCHOOL DISTRICT
23 EXCEPT IN COMPLIANCE WITH THE FAMILY EDUCATIONAL RIGHTS AND
24 PRIVACY ACT OF 1974.

25 (B) IN ORDER TO FACILITATE THE LOCAL BOARD'S REVIEW AND
26 SECRETARY'S REPORT, EACH CHARTER SCHOOL OR REGIONAL CHARTER
27 SCHOOL SHALL SUBMIT AN ANNUAL REPORT NO LATER THAN AUGUST 1 OF
28 EACH YEAR TO THE LOCAL BOARD OF SCHOOL DIRECTORS AND THE
29 SECRETARY IN THE FORM PRESCRIBED BY THE SECRETARY.

30 [(C) FIVE (5) YEARS FOLLOWING THE EFFECTIVE DATE OF THIS

1 ARTICLE, THE SECRETARY SHALL CONTRACT WITH AN INDEPENDENT
2 PROFESSIONAL CONSULTANT WITH EXPERTISE IN PUBLIC AND PRIVATE
3 EDUCATION. THE CONSULTANT SHALL RECEIVE INPUT FROM MEMBERS OF
4 THE EDUCATIONAL COMMUNITY AND THE PUBLIC ON THE CHARTER SCHOOL
5 PROGRAM. THE CONSULTANT SHALL SUBMIT A REPORT TO THE SECRETARY,
6 THE GOVERNOR AND THE GENERAL ASSEMBLY AND AN EVALUATION OF THE
7 CHARTER SCHOOL PROGRAM, WHICH SHALL INCLUDE A RECOMMENDATION ON
8 THE ADVISABILITY OF THE CONTINUATION, MODIFICATION, EXPANSION OR
9 TERMINATION OF THE PROGRAM AND ANY RECOMMENDATIONS FOR CHANGES
10 IN THE STRUCTURE OF THE PROGRAM.]

11 (D) A CHARTER SCHOOL ENTITY SHALL FORM AN INDEPENDENT AUDIT
12 COMMITTEE OF ITS BOARD OF TRUSTEES MEMBERS WHICH SHALL REVIEW AT
13 THE CLOSE OF EACH FISCAL YEAR A COMPLETE CERTIFIED AUDIT OF THE
14 OPERATIONS OF THE CHARTER SCHOOL ENTITY. THE AUDIT SHALL BE
15 CONDUCTED BY A QUALIFIED INDEPENDENT CERTIFIED PUBLIC
16 ACCOUNTANT. THE AUDIT SHALL BE CONDUCTED UNDER GENERALLY
17 ACCEPTED AUDIT STANDARDS OF THE GOVERNMENTAL ACCOUNTING
18 STANDARDS BOARD AND SHALL INCLUDE THE FOLLOWING:

19 (1) AN ENROLLMENT TEST TO VERIFY THE ACCURACY OF STUDENT
20 ENROLLMENT AND REPORTING TO THE STATE.

21 (2) FULL REVIEW OF EXPENSE REIMBURSEMENTS FOR BOARD OF
22 TRUSTEES MEMBERS AND ADMINISTRATORS, INCLUDING SAMPLING OF ALL
23 REIMBURSEMENTS.

24 (3) REVIEW OF INTERNAL CONTROLS, INCLUDING REVIEW OF
25 RECEIPTS AND DISBURSEMENTS.

26 (4) REVIEW OF ANNUAL FEDERAL AND STATE TAX FILINGS,
27 INCLUDING THE INTERNAL REVENUE SERVICE FORM 990, RETURN OF
28 ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED SCHEDULES
29 AND APPENDICES FOR THE CHARTER SCHOOL ENTITY AND CHARTER SCHOOL
30 FOUNDATION, IF APPLICABLE.

1 (5) REVIEW OF THE FINANCIAL STATEMENTS OF ANY CHARTER SCHOOL
2 FOUNDATION.

3 (6) REVIEW OF THE SELECTION AND ACCEPTANCE PROCESS OF ALL
4 CONTRACTS PUBLICLY BID PURSUANT TO SECTION 751.

5 (7) REVIEW OF ALL BOARD POLICIES AND PROCEDURES WITH REGARD
6 TO INTERNAL CONTROLS, CODE OF ETHICS, CONFLICTS OF INTEREST,
7 WHISTLE-BLOWER PROTECTIONS, COMPLAINTS FROM PARENTS OR THE
8 PUBLIC, COMPLIANCE WITH 65 PA.C.S. CH. 7 (RELATING TO OPEN
9 MEETINGS), FINANCES, BUDGETING, AUDITS, PUBLIC BIDDING AND
10 BONDING.

11 (E) THE CERTIFIED AUDIT UNDER SUBSECTION (D) AND THE ANNUAL
12 BUDGET UNDER SUBSECTION (G) ARE PUBLIC DOCUMENTS AND SHALL BE
13 MADE AVAILABLE ON THE CHARTER SCHOOL ENTITY'S PUBLICLY
14 ACCESSIBLE INTERNET WEBSITE, IF AVAILABLE, AND, IN THE CASE OF A
15 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL, ON THE SCHOOL
16 DISTRICT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

17 (F) A CHARTER SCHOOL ENTITY MAY BE SUBJECT TO AN ANNUAL
18 AUDIT BY THE AUDITOR GENERAL, IN ADDITION TO ANY OTHER AUDITS
19 REQUIRED BY FEDERAL LAW OR THIS ARTICLE.

20 (G) A CHARTER SCHOOL ENTITY SHALL ANNUALLY PROVIDE THE
21 DEPARTMENT AND, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
22 CHARTER SCHOOL, SHALL ANNUALLY PROVIDE THE SCHOOL DISTRICT, WITH
23 A COPY OF THE ANNUAL BUDGET FOR THE OPERATION OF THE CHARTER
24 SCHOOL ENTITY THAT IDENTIFIES THE FOLLOWING:

25 (1) THE SOURCE OF FUNDING FOR ALL EXPENDITURES.

26 (2) WHERE FUNDING IS PROVIDED BY A CHARTER SCHOOL
27 FOUNDATION, THE AMOUNT OF FUNDS AND A DESCRIPTION OF THE USE OF
28 THE FUNDS.

29 (3) THE SALARIES OF ALL ADMINISTRATORS OF THE CHARTER SCHOOL
30 ENTITY.

1 (4) ALL EXPENDITURES TO AN EDUCATIONAL MANAGEMENT SERVICE
2 PROVIDER.

3 (H) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A
4 CHARTER SCHOOL ENTITY AND ANY AFFILIATED CHARTER SCHOOL
5 FOUNDATION SHALL MAKE COPIES OF ITS ANNUAL FEDERAL AND STATE TAX
6 FILINGS AVAILABLE UPON REQUEST AND ON THE CHARTER SCHOOL
7 ENTITY'S OR FOUNDATION'S PUBLICLY ACCESSIBLE INTERNET WEBSITE,
8 IF AVAILABLE, INCLUDING INTERNAL REVENUE SERVICE FORM 990,
9 RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED
10 SCHEDULES AND APPENDICES.

11 (2) THE CHARTER SCHOOL FOUNDATION SHALL ALSO MAKE COPIES OF
12 ITS ANNUAL BUDGET AVAILABLE UPON REQUEST AND ON THE FOUNDATION'S
13 OR THE CHARTER SCHOOL ENTITY'S PUBLICLY ACCESSIBLE INTERNET
14 WEBSITE WITHIN THIRTY (30) DAYS OF THE CLOSE OF THE FOUNDATION'S
15 FISCAL YEAR.

16 (3) THE ANNUAL BUDGET SHALL INCLUDE THE SALARIES OF ALL
17 EMPLOYES OF THE CHARTER SCHOOL FOUNDATION.

18 SECTION 15. SECTION 1729-A(A), (B) AND (C) OF THE ACT, ADDED
19 JUNE 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

20 SECTION 1729-A. CAUSES FOR NONRENEWAL OR TERMINATION.--(A)
21 DURING THE TERM OF THE CHARTER OR AT THE END OF THE TERM OF THE
22 CHARTER, THE LOCAL BOARD OF SCHOOL DIRECTORS MAY CHOOSE TO
23 REVOKE OR NOT TO RENEW THE CHARTER BASED ON ANY OF THE
24 FOLLOWING:

25 (1) ONE OR MORE MATERIAL VIOLATIONS OF ANY OF THE
26 CONDITIONS, STANDARDS OR PROCEDURES CONTAINED IN THE WRITTEN
27 CHARTER SIGNED PURSUANT TO SECTION 1720-A.

28 (2) FAILURE TO MEET THE REQUIREMENTS FOR STUDENT PERFORMANCE
29 [SET FORTH IN 22 PA. CODE CH. 5 (RELATING TO CURRICULUM) OR
30 SUBSEQUENT REGULATIONS PROMULGATED TO REPLACE 22 PA. CODE CH. 5]

1 ON ASSESSMENTS OR FAILURE TO MEET ANY PERFORMANCE STANDARD SET
2 FORTH IN THE WRITTEN CHARTER SIGNED PURSUANT TO SECTION [1716-A]
3 1720-A.

4 (3) FAILURE TO MEET GENERALLY ACCEPTED STANDARDS OF FISCAL
5 MANAGEMENT OR AUDIT REQUIREMENTS.

6 (4) VIOLATION OF PROVISIONS OF THIS ARTICLE.

7 (5) VIOLATION OF ANY PROVISION OF LAW FROM WHICH THE CHARTER
8 SCHOOL ENTITY HAS NOT BEEN EXEMPTED, INCLUDING FEDERAL LAWS AND
9 REGULATIONS GOVERNING CHILDREN WITH DISABILITIES.

10 [(6) THE CHARTER SCHOOL HAS BEEN CONVICTED OF FRAUD.]

11 * * *

12 (B) [A MEMBER OF THE BOARD OF TRUSTEES WHO IS CONVICTED OF A
13 FELONY OR ANY CRIME INVOLVING MORAL TURPITUDE SHALL BE
14 IMMEDIATELY DISQUALIFIED FROM SERVING ON THE BOARD OF TRUSTEES.]
15 IF, AFTER A HEARING UNDER THIS SECTION, A LOCAL BOARD OF SCHOOL
16 DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
17 DEPARTMENT, PROVES BY A PREPONDERANCE OF THE EVIDENCE THAT AN
18 ADMINISTRATOR OR BOARD MEMBER OF A CHARTER SCHOOL ENTITY HAS
19 VIOLATED THIS ARTICLE, THE TERMS AND CONDITIONS OF THE CHARTER
20 OR ANY OTHER LAW, THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
21 CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT MAY REQUIRE THE
22 CHARTER SCHOOL ENTITY TO REPLACE AN ADMINISTRATOR OR BOARD OF
23 TRUSTEES MEMBER IN ORDER TO OBTAIN RENEWAL OF THE CHARTER. THE
24 LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE CASE OF A CYBER
25 CHARTER SCHOOL, THE DEPARTMENT MAY REFER ITS FINDINGS TO THE
26 DISTRICT ATTORNEY WITH JURISDICTION OR TO THE OFFICE OF ATTORNEY
27 GENERAL FOR PROSECUTION IF THE LOCAL BOARD OF SCHOOL DIRECTORS
28 OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT
29 DISCOVERS OR RECEIVES INFORMATION ABOUT POSSIBLE VIOLATIONS OF
30 LAW BY ANY PERSON AFFILIATED WITH OR EMPLOYED BY A CHARTER

1 SCHOOL ENTITY.

2 (C) ANY NOTICE OF REVOCATION OR NONRENEWAL OF A CHARTER
3 GIVEN BY THE LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL
4 DISTRICT SHALL STATE THE GROUNDS FOR SUCH ACTION WITH REASONABLE
5 SPECIFICITY AND GIVE REASONABLE NOTICE TO THE [GOVERNING] BOARD
6 OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL OF
7 THE DATE ON WHICH A PUBLIC HEARING CONCERNING THE REVOCATION OR
8 NONRENEWAL WILL BE HELD. THE LOCAL BOARD OF SCHOOL DIRECTORS
9 SHALL CONDUCT SUCH HEARING, PRESENT EVIDENCE IN SUPPORT OF THE
10 GROUNDS FOR REVOCATION OR NONRENEWAL STATED IN ITS NOTICE AND
11 GIVE THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL REASONABLE
12 OPPORTUNITY TO OFFER TESTIMONY BEFORE TAKING FINAL ACTION.
13 FORMAL ACTION REVOKING OR NOT RENEWING A CHARTER SHALL BE TAKEN
14 BY THE LOCAL BOARD OF SCHOOL DIRECTORS AT A PUBLIC MEETING HELD
15 PURSUANT TO [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS
16 THE "SUNSHINE ACT,"] 65 PA.C.S. CH. 7 (RELATING TO OPEN
17 MEETINGS) AFTER THE PUBLIC HAS HAD THIRTY (30) DAYS TO PROVIDE
18 COMMENTS TO THE BOARD. ALL PROCEEDINGS OF THE LOCAL BOARD
19 PURSUANT TO THIS SUBSECTION SHALL BE SUBJECT TO 2 PA.C.S. CH. 5
20 SUBCH. B (RELATING TO PRACTICE AND PROCEDURE OF LOCAL AGENCIES).
21 EXCEPT AS PROVIDED IN SUBSECTION (D), THE DECISION OF THE LOCAL
22 BOARD SHALL NOT BE SUBJECT TO 2 PA.C.S. CH. 7 SUBCH. B (RELATING
23 TO JUDICIAL REVIEW OF LOCAL AGENCY ACTION).

24 * * *

25 SECTION 16. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

26 SECTION 1729.1-A. EVALUATION OF EDUCATORS.--(A) ALL
27 APPLICATIONS BY A CHARTER SCHOOL ENTITY FOR A CHARTER OR FOR THE
28 RENEWAL OF A CHARTER SHALL INCLUDE A SYSTEM OF EVALUATION FOR
29 EDUCATORS THAT INCLUDES BOTH OF THE FOLLOWING:

30 (1) AT LEAST FOUR (4) RATING CATEGORIES OF EDUCATOR

1 PERFORMANCE.

2 (2) MULTIPLE MEASURES OF STUDENT PERFORMANCE WHICH SHALL
3 INCLUDE, BUT MAY NOT BE LIMITED TO, VALUE-ADDED ASSESSMENT
4 SYSTEM DATA MADE AVAILABLE BY THE DEPARTMENT UNDER SECTION 221
5 AND STUDENT PERFORMANCE ON THE MOST RECENT ASSESSMENTS FOR WHICH
6 RESULTS HAVE BEEN RELEASED BY THE DEPARTMENT AND MAY INCLUDE
7 GOALS SPECIFIC TO THE MISSION OF THE CHARTER SCHOOL ENTITY'S
8 CHARTER.

9 (B) NOTHING IN THIS SECTION SHALL PREEMPT THE POWERS OF A
10 BOARD OF TRUSTEES UNDER SECTION 1716-A(A) NOR AFFECT THE INTENT
11 OF THE GENERAL ASSEMBLY PROVIDED IN SECTION 1702-A(3) AND (4).

12 SECTION 1729.2-A. MULTIPLE CHARTER SCHOOL ORGANIZATIONS.--

13 (A) ESTABLISHMENT SHALL BE AS FOLLOWS:

14 (1) SUBJECT TO THE REQUIREMENTS OF THIS SECTION AND 15
15 PA.C.S. PT. II SUBPT. C (RELATING TO NONPROFIT CORPORATIONS),
16 TWO (2) OR MORE CHARTER SCHOOLS MAY CONSOLIDATE INTO A MULTIPLE
17 CHARTER SCHOOL ORGANIZATION IF BOTH OF THE FOLLOWING APPLY:

18 (I) THE DEPARTMENT APPROVES THE CONSOLIDATION AS PROPOSED IN
19 THE APPLICATION FORM SUBMITTED TO THE DEPARTMENT PURSUANT TO
20 SUBSECTION (C).

21 (II) EACH SCHOOL DISTRICT THAT GRANTED THE INITIAL CHARTER
22 OF ANY CHARTER SCHOOL INCLUDED IN THE PROPOSED CONSOLIDATION
23 APPROVES, BY A MAJORITY VOTE OF THE LOCAL BOARD OF SCHOOL
24 DIRECTORS, A RESOLUTION APPROVING THE CONSOLIDATION AS PROPOSED
25 IN THE APPLICATION SUBMITTED TO THE LOCAL BOARD OF SCHOOL
26 DIRECTORS PURSUANT TO SUBSECTION (C). IF A LOCAL BOARD OF SCHOOL
27 DIRECTORS DOES NOT ADOPT A RESOLUTION UNDER THIS CLAUSE
28 APPROVING OR REJECTING THE PROPOSED CONSOLIDATION WITHIN FORTY-
29 FIVE (45) DAYS AFTER RECEIPT OF THE APPLICATION, THE SCHOOL
30 DISTRICT WILL BE DEEMED TO HAVE APPROVED THE CONSOLIDATION.

1 (2) THE MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL BE:

2 (I) GRANTED LEGAL AUTHORITY TO OPERATE TWO (2) OR MORE
3 INDIVIDUAL CHARTER SCHOOLS UNDER THE OVERSIGHT OF A SINGLE BOARD
4 OF TRUSTEES AND A CHIEF ADMINISTRATOR WHO SHALL OVERSEE AND
5 MANAGE THE OPERATION OF THE INDIVIDUAL CHARTER SCHOOLS UNDER ITS
6 ORGANIZATION; AND

7 (II) SUBJECT TO ALL OF THE REQUIREMENTS OF THIS ARTICLE
8 UNLESS OTHERWISE PROVIDED FOR UNDER THIS SECTION.

9 (3) NOTHING UNDER THIS SECTION SHALL BE CONSTRUED TO AFFECT
10 OR CHANGE THE TERMS OR CONDITIONS OF ANY INDIVIDUAL CHARTER
11 PREVIOUSLY GRANTED THAT IS CONSOLIDATED UNDER THIS SECTION.

12 (B) (1) A CHARTER SCHOOL THAT, WITHIN EITHER OF THE MOST
13 RECENT TWO (2) SCHOOL YEARS, HAS FAILED TO MEET THE REQUIREMENTS
14 FOR STUDENT PERFORMANCE SET FORTH IN 22 PA. CODE CH. 4 (RELATING
15 TO ACADEMIC STANDARDS AND ASSESSMENT), ACCEPTED STANDARDS OF
16 FISCAL MANAGEMENT OR AUDIT REQUIREMENTS OR PERFORMANCE STANDARDS
17 SET FORTH BY THE MATRIX ESTABLISHED UNDER SECTION 1731.2-A SHALL
18 NOT BE ELIGIBLE TO CONSOLIDATE WITH ANOTHER CHARTER SCHOOL
19 UNLESS THE CONSOLIDATION INCLUDES A CHARTER SCHOOL DEMONSTRATING
20 THAT IT HAS SATISFIED SUCH REQUIREMENTS FOR THE MOST RECENT TWO
21 (2) SCHOOL YEARS.

22 (2) THIS SECTION SHALL NOT APPLY UNTIL THE EFFECTIVE DATE OF
23 THE REGULATIONS IMPLEMENTING THE PERFORMANCE MATRIX REQUIRED
24 UNDER SECTION 1731.2-A.

25 (C) THE DEPARTMENT SHALL DEVELOP AND ISSUE A STANDARD
26 APPLICATION FORM THAT MULTIPLE CHARTER SCHOOL ORGANIZATION
27 APPLICANTS MUST SUBMIT TO THE DEPARTMENT AND TO THE LOCAL BOARD
28 OF SCHOOL DIRECTORS OF EACH SCHOOL DISTRICT THAT GRANTED THE
29 INITIAL CHARTER OF ANY CHARTER SCHOOL INCLUDED IN THE PROPOSED
30 CONSOLIDATION. THE APPLICATION FORM SHALL CONTAIN THE FOLLOWING

1 INFORMATION:

2 (1) THE NAME OF THE MULTIPLE CHARTER SCHOOL ORGANIZATION.

3 (2) THE NAMES OF THE CHARTER SCHOOLS SEEKING CONSOLIDATION
4 UNDER THIS SECTION.

5 (3) A COPY OF THE APPROVED CHARTER OF EACH CHARTER SCHOOL
6 SEEKING TO CONSOLIDATE UNDER THIS SECTION.

7 (4) AN ORGANIZATIONAL CHART CLEARLY PRESENTING THE PROPOSED
8 GOVERNANCE STRUCTURE OF THE MULTIPLE CHARTER SCHOOL
9 ORGANIZATION, INCLUDING LINES OF AUTHORITY AND REPORTING BETWEEN
10 THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS,
11 STAFF AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
12 PLAY A ROLE IN PROVIDING MANAGEMENT SERVICES TO THE CHARTER
13 SCHOOLS UNDER ITS JURISDICTION.

14 (5) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES
15 FOR THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS
16 AND ANY OTHER ENTITIES, INCLUDING A CHARTER SCHOOL FOUNDATION,
17 SHOWN IN THE ORGANIZATIONAL CHART.

18 (6) A CLEAR DESCRIPTION OF THE METHOD FOR THE APPOINTMENT OR
19 ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.

20 (7) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE, INCLUDING
21 COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND TERMS OF
22 THE CHARTER.

23 (8) ENROLLMENT PROCEDURES FOR EACH INDIVIDUAL CHARTER SCHOOL
24 INCLUDED IN ITS CHARTER.

25 (9) ANY OTHER INFORMATION AS DEEMED NECESSARY BY THE
26 DEPARTMENT.

27 (D) A MULTIPLE CHARTER SCHOOL ORGANIZATION MAY:

28 (1) PARTICIPATE IN THE ASSESSMENT SYSTEM IN THE SAME MANNER
29 IN WHICH A SCHOOL DISTRICT PARTICIPATES, WITH ITS INDIVIDUAL
30 CHARTER SCHOOLS PARTICIPATING IN THE ASSESSMENT SYSTEM IN THE

1 SAME MANNER AS INDIVIDUAL SCHOOLS WITHIN SCHOOL DISTRICTS. ALL
2 DATA GATHERED FOR PURPOSES OF EVALUATION SHALL BE GATHERED IN
3 THE SAME MANNER IN WHICH DATA IS GATHERED IN THE CASE OF SCHOOL
4 DISTRICTS AND INDIVIDUAL SCHOOLS WITHIN SCHOOL DISTRICTS.
5 NOTHING IN THIS PARAGRAPH SHALL ALTER THE MANNER IN WHICH
6 CHARTER SCHOOL PERFORMANCE ON ASSESSMENTS IS MEASURED AS
7 REQUIRED UNDER THE NO CHILD LEFT BEHIND ACT OF 2001 (PUBLIC LAW
8 107-110, 115 STAT. 1425), OR ITS SUCCESSOR FEDERAL STATUTE.

9 (2) ADD EXISTING CHARTER SCHOOLS TO ITS ORGANIZATION BY
10 OBTAINING THE APPROVAL OF THE DEPARTMENT AND OF THE SCHOOL
11 DISTRICT THAT GRANTED THE INITIAL CHARTER OF EACH CHARTER SCHOOL
12 PROPOSED TO BE ADDED UNDER SUBSECTION (A) (1).

13 (3) ALLOW STUDENTS ENROLLED IN AN INDIVIDUAL CHARTER SCHOOL
14 TO MATRICULATE TO ANOTHER INDIVIDUAL CHARTER SCHOOL UNDER ITS
15 OVERSIGHT SO AS TO COMPLETE A COURSE OF INSTRUCTION IN AN
16 EDUCATIONAL INSTITUTION FROM KINDERGARTEN THROUGH GRADE TWELVE
17 OR OTHERWISE IN THE BEST INTERESTS OF THE STUDENT.

18 (E) A MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL BE REGARDED
19 AS THE HOLDER OF THE CHARTER OF EACH INDIVIDUAL CHARTER SCHOOL
20 UNDER ITS OVERSIGHT AND EACH PREVIOUSLY OR SUBSEQUENTLY AWARDED
21 CHARTER SHALL BE SUBJECT TO NONRENEWAL OR REVOCATION BY THE
22 LOCAL BOARD OF SCHOOL DIRECTORS THAT GRANTED THE INITIAL CHARTER
23 IN ACCORDANCE WITH THIS ACT. THE NONRENEWAL OR REVOCATION OF THE
24 CHARTER OF AN INDIVIDUAL CHARTER SCHOOL UNDER THE OVERSIGHT OF A
25 MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL NOT AFFECT THE STATUS
26 OF A CHARTER AWARDED FOR ANY OTHER INDIVIDUAL CHARTER SCHOOL
27 UNDER THE OVERSIGHT OF THE MULTIPLE CHARTER SCHOOL ORGANIZATION.

28 (F) FOR PURPOSES OF THIS SECTION, THE TERM "CHARTER SCHOOL"
29 SHALL INCLUDE A REGIONAL CHARTER SCHOOL.

30 SECTION 1731.1-A. FUND BALANCE LIMITS.--FUND BALANCE LIMITS

1 SHALL BE AS FOLLOWS:

2 (1) FOR THE 2013-2014 SCHOOL YEAR AND EACH SCHOOL YEAR
3 THEREAFTER, A CHARTER SCHOOL ENTITY SHALL NOT ACCUMULATE AN
4 UNASSIGNED FUND BALANCE GREATER THAN THE CHARTER SCHOOL ENTITY
5 UNASSIGNED FUND BALANCE LIMIT, WHICH WILL BE DETERMINED AS
6 FOLLOWS:

<u>CHARTER SCHOOL ENTITY</u>	<u>MAXIMUM UNASSIGNED FUND BALANCE AS PERCENTAGE OF</u>
<u>TOTAL BUDGETED EXPENDITURES</u>	<u>TOTAL BUDGETED EXPENDITURES</u>
<u>LESS THAN OR EQUAL TO \$11,999,999</u>	<u>12%</u>
<u>BETWEEN \$12,000,000 AND \$12,999,999</u>	<u>11.5%</u>
<u>BETWEEN \$13,000,000 AND \$13,999,999</u>	<u>11%</u>
<u>BETWEEN \$14,000,000 AND \$14,999,999</u>	<u>10.5%</u>
<u>BETWEEN \$15,000,000 AND \$15,999,999</u>	<u>10%</u>
<u>BETWEEN \$16,000,000 AND \$16,999,999</u>	<u>9.5%</u>
<u>BETWEEN \$17,000,000 AND \$17,999,999</u>	<u>9%</u>
<u>BETWEEN \$18,000,000 AND \$18,999,999</u>	<u>8.5%</u>
<u>GREATER THAN OR EQUAL TO \$19,000,000</u>	<u>8%</u>

19 (2) ANY UNASSIGNED FUND BALANCE IN PLACE ON JUNE 30, 2013,
20 THAT EXCEEDS THE CHARTER SCHOOL ENTITY UNASSIGNED FUND BALANCE
21 LIMIT SHALL BE REFUNDED ON A PRO RATA BASIS WITHIN NINETY (90)
22 DAYS TO ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE CHARTER
23 SCHOOL ENTITY ON BEHALF OF STUDENTS ENROLLED IN THE 2011-2012
24 AND 2012-2013 SCHOOL YEARS. THE FUNDS IN EXCESS OF THE
25 UNASSIGNED FUND BALANCE LIMIT MAY NOT BE USED TO PAY BONUSES TO
26 ANY ADMINISTRATOR, BOARD OF TRUSTEES MEMBER, EMPLOYE, STAFF
27 MEMBER OR CONTRACTOR AND MAY NOT BE TRANSFERRED TO A CHARTER
28 SCHOOL FOUNDATION. IF A CHARTER SCHOOL ENTITY USES FUNDS IN
29 EXCESS OF THE UNASSIGNED FUND BALANCE LIMIT TO PAY BONUSES TO
30 ANY ADMINISTRATOR, BOARD OF TRUSTEES MEMBER, EMPLOYEE, STAFF

1 MEMBER OR CONTRACTOR OR TRANSFERS SUCH FUNDS TO A CHARTER SCHOOL
2 FOUNDATION, THE CHARTER SCHOOL ENTITY SHALL PAY THE DEPARTMENT A
3 PENALTY EQUAL TO ONE PERCENT (1%) OF ITS UNASSIGNED FUND
4 BALANCE.

5 (3) FOR THE 2013-2014 SCHOOL YEAR AND EACH SCHOOL YEAR
6 THEREAFTER, ANY UNASSIGNED FUND BALANCE IN PLACE ON JUNE 30,
7 2014, AND ON JUNE 30 OF EACH YEAR THEREAFTER IN EXCESS OF THE
8 CHARTER SCHOOL ENTITY UNASSIGNED FUND BALANCE LIMIT SHALL BE
9 REFUNDED ON A PRO RATA BASIS WITHIN FORTY-FIVE (45) DAYS TO ALL
10 SCHOOL DISTRICTS THAT PAID TUITION TO THE CHARTER SCHOOL ENTITY
11 IN THE PRIOR SCHOOL YEAR.

12 (4) BY SEPTEMBER 30, 2013, AND AUGUST 15 OF EACH YEAR
13 THEREAFTER, EACH CHARTER SCHOOL ENTITY SHALL PROVIDE THE
14 DEPARTMENT AND ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE
15 CHARTER SCHOOL ENTITY IN THE PRIOR SCHOOL YEAR WITH INFORMATION
16 CERTIFYING COMPLIANCE WITH THIS SECTION. THE INFORMATION SHALL
17 BE PROVIDED IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT
18 AND SHALL INCLUDE INFORMATION ON THE CHARTER SCHOOL ENTITY'S
19 ESTIMATED ENDING UNASSIGNED FUND BALANCE EXPRESSED AS A DOLLAR
20 AMOUNT AND AS A PERCENTAGE OF THE CHARTER SCHOOL ENTITY'S TOTAL
21 BUDGETED EXPENDITURES FOR THAT SCHOOL YEAR.

22 (5) AS USED IN THIS SECTION, "UNASSIGNED FUND BALANCE" SHALL
23 MEAN THAT PORTION OF THE FUND BALANCE OF A CHARTER SCHOOL ENTITY
24 OR OF A CHARTER SCHOOL FOUNDATION THAT PROVIDES FUNDING OR
25 RESOURCES OR OTHERWISE SERVES TO SUPPORT THE CHARTER SCHOOL
26 ENTITY, DIRECTLY OR THROUGH AN AFFILIATED ENTITY, THAT IS:

27 (I) AVAILABLE FOR EXPENDITURE OR NOT LEGALLY OR OTHERWISE
28 SEGREGATED FOR A SPECIFIC OR TENTATIVE FUTURE USE; AND

29 (II) HELD IN THE GENERAL FUND ACCOUNTS OF THE CHARTER SCHOOL
30 ENTITY OR THE CHARTER SCHOOL FOUNDATION.

1 SECTION 1731.2-A. PERFORMANCE MATRIX.--THE FOLLOWING SHALL
2 APPLY:

3 (1) WITHIN EIGHTEEN (18) MONTHS OF THE EFFECTIVE DATE OF
4 THIS SECTION, THE STATE BOARD OF EDUCATION SHALL DEVELOP A
5 STANDARD PERFORMANCE MATRIX TO EVALUATE CHARTER SCHOOL ENTITY
6 PERFORMANCE AND SHALL PROMULGATE REGULATIONS PURSUANT TO THE ACT
7 OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE "REGULATORY
8 REVIEW ACT," TO IMPLEMENT THIS SECTION.

9 (2) THE PERFORMANCE MATRIX MAY ASSESS PERFORMANCE BY
10 UTILIZING OBJECTIVE CRITERIA, INCLUDING, BUT NOT LIMITED TO:
11 STUDENT PERFORMANCE ON ASSESSMENTS; ANNUAL GROWTH AS MEASURED BY
12 THE PENNSYLVANIA VALUE-ADDED ASSESSMENT SYSTEM; ATTENDANCE;
13 ATTRITION RATES; GRADUATION RATES; OTHER STANDARDIZED TEST
14 SCORES; SCHOOL SAFETY; PARENT SATISFACTION; ACCREDITATION BY A
15 NATIONALLY RECOGNIZED ACCREDITATION AGENCY, INCLUDING THE MIDDLE
16 STATES ASSOCIATION OF COLLEGES AND SCHOOLS OR ANOTHER REGIONAL
17 INSTITUTIONAL ACCREDITING AGENCY RECOGNIZED BY THE UNITED STATES
18 DEPARTMENT OF EDUCATION OR AN EQUIVALENT FEDERALLY RECOGNIZED
19 BODY FOR CHARTER SCHOOL EDUCATION; AND OTHER MEASURES OF SCHOOL
20 QUALITY, INCLUDING MEASURES FOR ASSESSING TEACHER EFFECTIVENESS.

21 (2.1) IN DEVELOPING THE PERFORMANCE MATRIX, THE STATE BOARD
22 OF EDUCATION SHALL DETERMINE AN ACADEMIC QUALITY BENCHMARK THE
23 SATISFACTION OF WHICH SHALL QUALIFY A CHARTER SCHOOL ENTITY FOR
24 A TEN (10) YEAR RENEWAL TERM PURSUANT TO SECTION 1720-A(A) (2) OR
25 1745-A(F) (3). THE ACADEMIC QUALITY BENCHMARK SHALL BE INCLUDED
26 IN THE REGULATIONS REQUIRED UNDER CLAUSE (1).

27 (3) IN DEVELOPING THE PERFORMANCE MATRIX, THE STATE BOARD OF
28 EDUCATION MAY CONTRACT FOR CONSULTING SERVICES WITH AN ENTITY
29 THAT HAS EXPERIENCE IN DEVELOPING PERFORMANCE MATRICES IF THE
30 SERVICES ARE PROCURED THROUGH A COMPETITIVE BIDDING PROCESS.

1 (4) NEITHER THE DEPARTMENT NOR ANY LOCAL BOARD OF SCHOOL
2 DIRECTORS OR OTHER SCHOOL DISTRICT GOVERNING AUTHORITY MAY
3 DEVELOP A SEPARATE PERFORMANCE MATRIX FOR THE EVALUATION OF A
4 CHARTER SCHOOL ENTITY.

5 (5) (I) A LOCAL BOARD OF SCHOOL DIRECTORS OR OTHER SCHOOL
6 DISTRICT GOVERNING AUTHORITY SHALL UTILIZE THE STANDARD
7 PERFORMANCE MATRIX AS A PRIMARY FACTOR IN EVALUATING NEW AND
8 RENEWAL CHARTER SCHOOL AND REGIONAL CHARTER SCHOOL APPLICANTS
9 AND IN ANNUAL MONITORING AND EVALUATION OF CHARTER SCHOOLS AND
10 REGIONAL CHARTER SCHOOLS.

11 (II) THE DEPARTMENT SHALL UTILIZE THE STANDARD PERFORMANCE
12 MATRIX AS A PRIMARY FACTOR IN EVALUATING NEW AND RENEWAL CYBER
13 CHARTER SCHOOL APPLICANTS, IN EVALUATING CONSOLIDATION
14 APPLICATIONS UNDER SECTION 1729.2-A AND IN ANNUAL MONITORING AND
15 EVALUATION OF CYBER CHARTER SCHOOLS.

16 (6) (I) IN DEVELOPING THE PERFORMANCE MATRIX AND
17 PROMULGATING THE REGULATIONS REQUIRED UNDER CLAUSE (1), THE
18 STATE BOARD OF EDUCATION SHALL CONVENE AND CONSULT WITH A
19 STATEWIDE ADVISORY COMMITTEE WHICH SHALL CONSIST OF
20 REPRESENTATIVES OF THE DEPARTMENT AND A MINIMUM OF SEVEN (7)
21 REPRESENTATIVES FROM CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS,
22 CYBER CHARTER SCHOOLS, SCHOOL DISTRICT PERSONNEL AND
23 INSTITUTIONS OF HIGHER EDUCATION WITH EXPERIENCE IN THE
24 OVERSIGHT OF CHARTER SCHOOLS. MEMBERS OF THE COMMITTEE SHALL BE
25 SELECTED TO BE REPRESENTATIVE OF THE URBAN, RURAL AND SUBURBAN
26 AREAS OF THIS COMMONWEALTH.

27 (II) THE STATEWIDE ADVISORY COMMITTEE REQUIRED TO BE
28 CONVENED UNDER SUBPARAGRAPH (I) SHALL BE CONVENED NOT LATER THAN
29 THIRTY (30) DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION AND
30 SHALL MEET REGULARLY TO FULFILL REQUIREMENTS OF THIS PARAGRAPH.

1 (7) THE DEPARTMENT SHALL DISTRIBUTE THE PERFORMANCE MATRIX
2 TO ALL SCHOOL DISTRICTS AND SHALL PUBLISH THE MATRIX ON THE
3 DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

4 SECTION 17. SECTION 1732-A OF THE ACT, AMENDED JUNE 29, 2002
5 (P.L.524, NO.88), IS AMENDED TO READ:

6 SECTION 1732-A. PROVISIONS APPLICABLE TO CHARTER SCHOOLS AND
7 REGIONAL CHARTER SCHOOLS.--(A) CHARTER SCHOOLS AND REGIONAL
8 CHARTER SCHOOLS SHALL BE SUBJECT TO THE FOLLOWING:

9 (1) SECTIONS 108, 110, 111, 321, 325, 326, 327, 431, 436,
10 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
11 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(A),
12 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
13 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,
14 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
15 ARTICLE XIII-A AND ARTICLE XIV.

16 (2) ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS THE
17 "STATE ADVERSE INTEREST ACT."

18 (3) ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS THE
19 "PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT."

20 (4) ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED "AN ACT
21 PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY PERSONS
22 ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN DANGERS IN
23 SCHOOLS, COLLEGES AND UNIVERSITIES."

24 (5) SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965 P.L.1546,
25 NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS AND PROVIDING
26 FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED STUDENTS OF THE
27 COMMONWEALTH OF PENNSYLVANIA WHO NEED FINANCIAL ASSISTANCE TO
28 ATTEND POSTSECONDARY INSTITUTIONS OF HIGHER LEARNING, MAKING AN
29 APPROPRIATION, AND PROVIDING FOR THE ADMINISTRATION OF THIS
30 ACT."

1 (6) ACT OF JULY 12, 1972 (P.L.765, NO.181), ENTITLED "AN ACT
2 RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE, PROVIDING FOR
3 PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL AGENCIES, OTHER
4 PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR ORGANIZATIONS."

5 (7) ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175), KNOWN AS
6 THE "ANTIHAZING LAW."

7 (8) 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

8 (9) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND
9 FINANCIAL DISCLOSURE).

10 (B) CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS SHALL BE
11 SUBJECT TO THE FOLLOWING PROVISIONS OF 22 PA. CODE:

12 [SECTION 5.216 (RELATING TO ESOL) .

13 SECTION 5.4 (RELATING TO GENERAL POLICIES).]

14 (1) CHAPTER 4 (RELATING TO ACADEMIC STANDARDS AND
15 ASSESSMENTS).

16 (2) CHAPTER 11 (RELATING TO PUPIL ATTENDANCE) .

17 (3) CHAPTER 12 (RELATING TO STUDENTS) .

18 (4) SECTION 32.3 (RELATING TO ASSURANCES) .

19 (5) SECTION 121.3 (RELATING TO DISCRIMINATION PROHIBITED) .

20 (6) SECTION 235.4 (RELATING TO PRACTICES) .

21 (7) SECTION 235.8 (RELATING TO CIVIL RIGHTS) .

22 (8) CHAPTER 711 (RELATING TO CHARTER SCHOOL SERVICES AND
23 PROGRAMS FOR CHILDREN WITH DISABILITIES) .

24 (C) (1) THE SECRETARY MAY PROMULGATE ADDITIONAL REGULATIONS
25 RELATING TO CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS .

26 (2) THE SECRETARY SHALL HAVE THE AUTHORITY AND THE
27 RESPONSIBILITY TO ENSURE THAT CHARTER SCHOOLS AND REGIONAL
28 CHARTER SCHOOLS COMPLY WITH FEDERAL LAWS AND REGULATIONS
29 GOVERNING CHILDREN WITH DISABILITIES. THE SECRETARY SHALL
30 PROMULGATE REGULATIONS TO IMPLEMENT THIS PROVISION.

1 SECTION 18. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
2 SECTION 1733-A. EFFECT ON EXISTING CHARTER SCHOOL
3 ENTITIES.-- (A) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF
4 THIS SECTION, A CHARTER SCHOOL ENTITY ESTABLISHED UNDER SECTION
5 1717-A, 1718-A OR 1745-A PRIOR TO THE EFFECTIVE DATE OF THIS
6 SECTION SHALL AMEND THE CURRENT CHARTER THROUGH THE AMENDMENT
7 PROCESS UNDER SECTION 1720-A(C) OR 1745-A(F) (5) AS NEEDED TO
8 REFLECT THE REQUIREMENTS OF THIS ARTICLE. ANY RENEWAL THAT TAKES
9 EFFECT AFTER JUNE 30, 2013, SHALL BE FOR THE TERM SPECIFIED
10 UNDER SECTION 1720-A(A) (2) OR 1745-A(F) (3).

11 (B) A CHARTER SCHOOL ENTITY APPROVED AFTER THE EFFECTIVE
12 DATE OF THIS SECTION SHALL BE IN FULL COMPLIANCE WITH THIS
13 ARTICLE.

14 (C) WITHIN SIXTY (60) DAYS OF THE EFFECTIVE DATE OF THIS
15 SECTION, EACH CHARTER SCHOOL ENTITY SHALL DEMONSTRATE, TO THE
16 SATISFACTION OF THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
17 CASE OF A CYBER CHARTER SCHOOL, TO THE SATISFACTION OF THE
18 DEPARTMENT, THAT THE CHARTER SCHOOL ENTITY IS IN COMPLIANCE WITH
19 SECTIONS 1332 AND 1333, INCLUDING THE INSTITUTION OF TRUANCY
20 PROCEEDINGS WHEN REQUIRED UNDER SECTION 1333.

21 SECTION 19. SECTIONS 1741-A(C), 1742-A AND 1745-A OF THE
22 ACT, ADDED JUNE 29, 2002 (P.L.524, NO.88), ARE AMENDED TO READ:
23 SECTION 1741-A. POWERS AND DUTIES OF DEPARTMENT.

24 * * *

25 (C) DOCUMENTS.--DOCUMENTS OF THE APPEAL BOARD SHALL BE
26 SUBJECT TO THE ACT OF [JUNE 21, 1957 (P.L.390, NO.212), REFERRED
27 TO AS THE RIGHT-TO-KNOW LAW.] ACT OF FEBRUARY 14, 2008 (P.L.6,
28 NO.3), KNOWN AS THE "RIGHT-TO-KNOW LAW."

29 SECTION 1742-A. ASSESSMENT AND EVALUATION.

30 THE DEPARTMENT SHALL:

1 (1) ANNUALLY ASSESS WHETHER EACH CYBER CHARTER SCHOOL IS
2 MEETING THE GOALS OF ITS CHARTER AND IS IN COMPLIANCE WITH
3 THE PROVISIONS OF THE CHARTER AND CONDUCT A COMPREHENSIVE
4 REVIEW PRIOR TO GRANTING A [FIVE-YEAR] RENEWAL OF THE CHARTER
5 FOR THE PERIOD SPECIFIED IN SECTION 1745-A(F)(3).

6 (2) ANNUALLY REVIEW EACH CYBER CHARTER SCHOOL'S
7 PERFORMANCE ON THE PENNSYLVANIA SYSTEM OF SCHOOL ASSESSMENT
8 TEST, STANDARDIZED TESTS AND OTHER PERFORMANCE INDICATORS TO
9 ENSURE COMPLIANCE WITH 22 PA. CODE CH. 4 (RELATING TO
10 ACADEMIC STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
11 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

12 (3) HAVE ONGOING ACCESS TO ALL RECORDS, INSTRUCTIONAL
13 MATERIALS AND STUDENT AND STAFF RECORDS OF EACH CYBER CHARTER
14 SCHOOL AND TO EVERY CYBER CHARTER SCHOOL FACILITY TO ENSURE
15 THE CYBER CHARTER SCHOOL IS IN COMPLIANCE WITH ITS CHARTER
16 AND THIS SUBDIVISION.

17 SECTION 1745-A. ESTABLISHMENT OF CYBER CHARTER SCHOOL.

18 (A) ESTABLISHMENT.--A CYBER CHARTER SCHOOL MAY BE
19 ESTABLISHED BY AN INDIVIDUAL; ONE OR MORE TEACHERS WHO WILL
20 TEACH AT THE PROPOSED CYBER CHARTER SCHOOL; PARENTS OR GUARDIANS
21 OF STUDENTS WHO WILL ENROLL IN THE CYBER CHARTER SCHOOL; A
22 NONSECTARIAN COLLEGE, UNIVERSITY OR MUSEUM LOCATED IN THIS
23 COMMONWEALTH; A NONSECTARIAN CORPORATION NOT-FOR-PROFIT AS
24 DEFINED IN 15 PA.C.S. § 5103 (RELATING TO DEFINITIONS); A
25 CORPORATION, ASSOCIATION OR PARTNERSHIP; OR ANY COMBINATION OF
26 THE FOREGOING. SECTION 1327.1 SHALL NOT APPLY TO A CYBER CHARTER
27 SCHOOL ESTABLISHED UNDER THIS SUBDIVISION.

28 (B) SECTARIAN ENTITIES.--NO CYBER CHARTER SCHOOL SHALL BE
29 ESTABLISHED OR FUNDED BY AND NO CHARTER SHALL BE GRANTED TO A
30 SECTARIAN SCHOOL, INSTITUTION OR OTHER ENTITY.

1 (B.1) LOCAL BOARD OF SCHOOL DIRECTORS OR INTERMEDIATE
2 UNIT.--

3 (1) A CYBER CHARTER SCHOOL MAY BE ESTABLISHED BY A LOCAL
4 BOARD OF SCHOOL DIRECTORS OR AN INTERMEDIATE UNIT IF THE
5 PROCEDURES AND REQUIREMENTS OF THIS ARTICLE ARE SATISFIED.

6 (2) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO
7 PRECLUDE A SCHOOL DISTRICT OR AN INTERMEDIATE UNIT FROM
8 OFFERING INSTRUCTION VIA THE INTERNET OR OTHER ELECTRONIC
9 MEANS, EXCEPT THAT THE INSTRUCTION SHALL NOT BE RECOGNIZED AS
10 A CYBER CHARTER SCHOOL UNDER THIS ARTICLE UNLESS THE SCHOOL
11 DISTRICT OR INTERMEDIATE UNIT ESTABLISHES A CYBER CHARTER
12 SCHOOL PURSUANT TO SUBSECTIONS (A) AND (B.1)(1).

13 (C) ATTENDANCE.--ATTENDANCE AT A CYBER CHARTER SCHOOL SHALL
14 SATISFY REQUIREMENTS FOR COMPULSORY ATTENDANCE, SUBJECT TO
15 PENALTIES FOR VIOLATION OF COMPULSORY ATTENDANCE REQUIREMENTS
16 UNDER SECTION 1333.

17 (D) APPLICATION.--AN APPLICATION TO ESTABLISH A CYBER
18 CHARTER SCHOOL SHALL BE SUBMITTED TO THE DEPARTMENT BY OCTOBER 1
19 OF THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR IN WHICH THE CYBER
20 CHARTER SCHOOL PROPOSES TO COMMENCE OPERATION.

21 (E) GRANT OR DENIAL.--WITHIN 120 DAYS OF RECEIPT OF AN
22 APPLICATION, THE DEPARTMENT SHALL GRANT OR DENY THE APPLICATION.
23 THE DEPARTMENT SHALL REVIEW THE APPLICATION AND SHALL HOLD AT
24 LEAST ONE PUBLIC HEARING UNDER 65 PA.C.S. CH. 7 (RELATING TO
25 OPEN MEETINGS). AT LEAST 30 DAYS PRIOR TO THE HEARING, THE
26 DEPARTMENT SHALL PUBLISH IN THE PENNSYLVANIA BULLETIN AND ON THE
27 DEPARTMENT'S [WORLD WIDE WEB SITE] PUBLICLY ACCESSIBLE INTERNET
28 WEBSITE NOTICE OF THE HEARING AND THE PURPOSE OF THE
29 APPLICATION.

30 (F) EVALUATION CRITERIA.--

1 (1) A CYBER CHARTER SCHOOL APPLICATION SUBMITTED UNDER
2 THIS SUBDIVISION SHALL BE EVALUATED BY THE DEPARTMENT BASED
3 ON THE FOLLOWING CRITERIA:

4 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE
5 CYBER CHARTER SCHOOL PLAN BY TEACHERS, PARENTS OR
6 GUARDIANS AND STUDENTS.

7 (II) THE CAPABILITY OF THE CYBER CHARTER SCHOOL
8 APPLICANT, IN TERMS OF SUPPORT AND PLANNING, TO PROVIDE
9 COMPREHENSIVE LEARNING EXPERIENCES TO STUDENTS UNDER THE
10 CHARTER.

11 (III) THE EXTENT TO WHICH THE PROGRAMS OUTLINED IN
12 THE APPLICATION WILL ENABLE STUDENTS TO MEET THE ACADEMIC
13 STANDARDS UNDER 22 PA. CODE CH. 4 (RELATING TO ACADEMIC
14 STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
15 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

16 (IV) THE EXTENT TO WHICH THE APPLICATION MEETS THE
17 REQUIREMENTS OF SECTION 1747-A.

18 (V) THE EXTENT TO WHICH THE CYBER CHARTER SCHOOL MAY
19 SERVE AS A MODEL FOR OTHER PUBLIC SCHOOLS.

20 (2) WRITTEN NOTICE OF THE ACTION OF THE DEPARTMENT SHALL
21 BE SENT BY CERTIFIED MAIL TO THE APPLICANT AND PUBLISHED ON
22 THE DEPARTMENT'S [WORLD WIDE WEB SITE] PUBLICLY ACCESSIBLE
23 INTERNET WEBSITE. IF THE APPLICATION IS DENIED, THE REASONS
24 FOR DENIAL, INCLUDING A DESCRIPTION OF DEFICIENCIES IN THE
25 APPLICATION, SHALL BE CLEARLY STATED IN THE NOTICE.

26 (3) UPON APPROVAL OF A CYBER CHARTER SCHOOL APPLICATION,
27 A WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
28 PROVISIONS OF THE CHARTER APPLICATION AND BE SIGNED BY THE
29 SECRETARY AND EACH MEMBER OF THE BOARD OF TRUSTEES OF THE
30 CYBER CHARTER SCHOOL. THE CHARTER, WHEN DULY SIGNED, SHALL

1 ACT AS LEGAL AUTHORIZATION OF THE ESTABLISHMENT OF A CYBER
2 CHARTER SCHOOL. THE CHARTER SHALL BE LEGALLY BINDING ON THE
3 DEPARTMENT, THE CYBER CHARTER SCHOOL AND ITS BOARD OF
4 TRUSTEES. THE CHARTER [SHALL BE FOR A PERIOD OF NO LESS THAN
5 THREE YEARS NOR MORE THAN FIVE YEARS AND MAY BE RENEWED FOR A
6 PERIOD OF FIVE YEARS BY THE DEPARTMENT.] TERM SHALL BE AS
7 FOLLOWS:

8 (I) AN INITIAL CHARTER GRANTED PURSUANT TO THIS
9 SECTION SHALL BE FOR A PERIOD OF FIVE YEARS.

10 (II) PRIOR TO THE EFFECTIVE DATE OF THE REGULATIONS
11 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT
12 TO SECTION 1731.2-A, A CHARTER MAY BE RENEWED FOR FIVE
13 YEAR PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

14 (III) UPON THE EFFECTIVE DATE OF THE REGULATIONS
15 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT
16 TO SECTION 1731.2-A, THE FOLLOWING SHALL APPLY:

17 (A) FOR CYBER CHARTER SCHOOLS THAT HAVE
18 SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED
19 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION
20 1731.2-A, A CHARTER MAY BE RENEWED FOR TEN YEAR
21 PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

22 (B) FOR CYBER CHARTER SCHOOLS THAT HAVE NOT
23 SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED
24 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION
25 1731.2-A, A CHARTER MAY BE RENEWED FOR FIVE YEAR
26 PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

27 (4) THE DECISION OF THE DEPARTMENT TO DENY AN
28 APPLICATION MAY BE APPEALED TO THE APPEAL BOARD.

29 (5) (I) A CYBER CHARTER SCHOOL MAY REQUEST AMENDMENTS
30 TO ITS APPROVED WRITTEN CHARTER BY FILING WITH THE

1 DEPARTMENT A WRITTEN DOCUMENT DESCRIBING THE REQUESTED
2 AMENDMENT.

3 (II) WITHIN 20 DAYS OF ITS RECEIPT OF THE REQUEST
4 FOR AN AMENDMENT, THE DEPARTMENT SHALL HOLD A PUBLIC
5 HEARING ON THE REQUESTED AMENDMENT UNDER 65 PA.C.S. CH. 7
6 (RELATING TO OPEN MEETINGS).

7 (III) WITHIN 20 DAYS AFTER THE HEARING, THE
8 DEPARTMENT SHALL GRANT OR DENY THE REQUESTED AMENDMENT.
9 FAILURE BY THE DEPARTMENT TO HOLD A PUBLIC HEARING AND TO
10 GRANT OR DENY THE AMENDMENT WITHIN THE TIME PERIOD
11 SPECIFIED SHALL BE DEEMED AN APPROVAL.

12 (IV) AN APPLICANT FOR AN AMENDMENT SHALL HAVE THE
13 RIGHT TO APPEAL THE DENIAL OF A REQUESTED AMENDMENT TO
14 THE APPEAL BOARD PROVIDED FOR UNDER SECTION 1721-A.

15 (G) DENIED APPLICATION.--A CYBER CHARTER SCHOOL APPLICANT
16 MAY REVISE AND RESUBMIT A DENIED APPLICATION TO THE DEPARTMENT.
17 THE DEPARTMENT SHALL GRANT OR DENY THE REVISED APPLICATION
18 WITHIN 60 DAYS AFTER ITS RECEIPT.

19 (H) APPEAL.--IF THE DEPARTMENT FAILS TO HOLD THE REQUIRED
20 PUBLIC HEARING OR TO APPROVE OR DISAPPROVE THE CHARTER, THE
21 APPLICANT MAY FILE ITS APPLICATION AS AN APPEAL TO THE APPEAL
22 BOARD. THE APPEAL BOARD SHALL REVIEW THE APPLICATION AND MAKE A
23 DECISION TO APPROVE OR DISAPPROVE THE CHARTER BASED ON THE
24 CRITERIA IN SUBSECTION (F).

25 SECTION 20. SECTION 1749-A(A) AND (C) OF THE ACT, ADDED JUNE
26 29, 2002 (P.L.524, NO.88), ARE AMENDED TO READ:

27 SECTION 1749-A. APPLICABILITY OF OTHER PROVISIONS OF THIS ACT
28 AND OF OTHER ACTS AND REGULATIONS.

29 (A) GENERAL REQUIREMENTS.--CYBER CHARTER SCHOOLS SHALL BE
30 SUBJECT TO THE FOLLOWING:

1 (1) SECTIONS 108, 110, 111, 321, 325, 326, 327, 431,
2 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,
3 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,
4 1112(A), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
5 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,
6 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-
7 B, 1702-A, 1703-A, 1704-A, 1714-A, 1715-A, 1716-A, 1716.1-A,
8 1719-A, 1721-A, 1722-A, [1723-A(A) AND (B)] 1723-A(A), (B)
9 AND (D), 1724-A, 1725-A, 1727-A, 1728-A(D), (E), (F), (G) AND
10 (H), 1729-A, 1729.1-A, 1730-A, 1731-A(A) (1) AND (B), 1731.1-
11 A, 1731.2-A, 1733-A AND 2014-A AND ARTICLES [XII-A,] XIII-A
12 AND XIV.

13 (1.1) ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS
14 THE STATE ADVERSE INTEREST ACT.

15 (2) THE ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS
16 THE PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT.

17 (3) THE ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED
18 "AN ACT PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY
19 PERSONS ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN
20 DANGERS IN SCHOOLS, COLLEGES AND UNIVERSITIES."

21 (4) SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965
22 P.L.1546, NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS
23 AND PROVIDING FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED
24 STUDENTS OF THE COMMONWEALTH OF PENNSYLVANIA WHO NEED
25 FINANCIAL ASSISTANCE TO ATTEND POSTSECONDARY INSTITUTIONS OF
26 HIGHER LEARNING, MAKING AN APPROPRIATION, AND PROVIDING FOR
27 THE ADMINISTRATION OF THIS ACT."

28 (5) THE ACT OF JULY 12, 1972 (P.L.765, NO.181) ENTITLED
29 "AN ACT RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE,
30 PROVIDING FOR PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL

1 AGENCIES, OTHER PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR
2 ORGANIZATIONS."

3 (6) THE ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175),
4 KNOWN AS THE ANTIHAZING LAW.

5 (7) 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

6 (8) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND
7 FINANCIAL DISCLOSURE).

8 * * *

9 (C) EXISTING CHARTER SCHOOLS.--

10 (1) THE CHARTER OF A CHARTER SCHOOL APPROVED UNDER
11 SECTION 1717-A OR 1718-A WHICH PROVIDES INSTRUCTION THROUGH
12 THE INTERNET OR OTHER ELECTRONIC MEANS SHALL REMAIN IN EFFECT
13 FOR THE DURATION OF THE CHARTER AND SHALL BE SUBJECT TO THE
14 PROVISIONS OF SUBDIVISION (B).

15 (2) IN ADDITION TO SUBSECTIONS (A) AND (B), THE
16 FOLLOWING PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO A
17 CHARTER SCHOOL APPROVED UNDER SECTION 1717-A OR 1718-A WHICH
18 PROVIDES INSTRUCTION THROUGH THE INTERNET OR OTHER ELECTRONIC
19 MEANS:

20 (I) SECTION 1743-A(C), (D), (E), (F), (G), (H) AND
21 (I).

22 (II) SECTION 1744-A.

23 (III) SECTION 1748-A.

24 SECTION 21. THE ADDITION OF SECTION 1725(A)(2)(II) SHALL
25 EXPIRE AT THE END OF THE 2014-2015 SCHOOL YEAR.

26 SECTION 22. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

27 (1) THE AMENDMENT OR ADDITION OF THE FOLLOWING
28 PROVISIONS OF THE ACT SHALL TAKE EFFECT IMMEDIATELY:

29 (I) SECTION 1704-A.

30 (II) SECTION 1725-A(A)(1), (2), (2.1), (3) AND (4),

1 (B), (C), (D), (E) AND (F).

2 (III) SECTIONS 1731.1-A.

3 (IV) SECTION 1731.2-A.

4 (V) SECTION 1732-A.

5 (VI) SECTION 1749-A.

6 (2) THE AMENDMENT OF SECTION 1725-A(A) (5) AND (6) OF THE
7 ACT SHALL TAKE EFFECT IN 90 DAYS.

8 (3) THIS SECTION SHALL TAKE EFFECT IMMEDIATELY.

9 (4) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
10 DAYS.