

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2370 Session of 2024

INTRODUCED BY STURLA, SCHWEYER, ISAACSON, McCLINTON, BRADFORD, HARRIS, D. MILLER, T. DAVIS, SCHLOSSBERG, KRUEGER, BIZZARRO, DONAHUE, SANCHEZ, HILL-EVANS, McNEILL, DELLOSO, GIRAL, SMITH-WADE-EL, FIEDLER, PROBST, KHAN, TAKAC, OTTEN, ABNEY, FREEMAN, ROZZI, CEPHAS, DAWKINS, KENYATTA, SOLOMON, SHUSTERMAN, BOYD, HOHENSTEIN, RABB, HADDOCK, HANBIDGE, YOUNG, FLEMING, PARKER, BULLOCK, PASHINSKI, PROKOPIAK, POWELL, KINSEY, KRAJEWSKI, N. NELSON, FRIEL, CIRESI, BOROWSKI, CEPEDA-FREYTIZ, PIELLI, NEILSON, DALEY, CONKLIN, CERRATO, O'MARA, HOWARD, KAZEEM, BURGOS, WAXMAN, CURRY, MERSKI, KIM, SIEGEL, SAMUELSON, BRIGGS, HARKINS, GUENST AND KINKEAD, JUNE 3, 2024

REFERRED TO COMMITTEE ON EDUCATION, JUNE 3, 2024

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
 2 act relating to the public school system, including certain
 3 provisions applicable as well to private and parochial
 4 schools; amending, revising, consolidating and changing the
 5 laws relating thereto," in preliminary provisions, providing
 6 for advertising and sponsorships; in charter schools, further
 7 providing for definitions, for charter school requirements
 8 and for funding for charter schools, providing for funding
 9 for cyber charter schools, for cyber charter school
 10 requirements, for powers and composition of board of trustees
 11 and for educational management service providers, further
 12 providing for powers and duties of department and for
 13 assessment and evaluation, providing for annual reports and
 14 public reporting and for fund balance limits, further
 15 providing for cyber charter school requirements and
 16 prohibitions and for school district and intermediate unit
 17 responsibilities, providing for access to other schools'
 18 facilities, further providing for establishment of cyber
 19 charter school, providing for renewals, for charter
 20 amendments and for causes for nonrenewal, revocation or
 21 termination, further providing for State Charter School
 22 Appeal Board review, for cyber charter school application and
 23 for enrollment and notification, providing for enrollment
 24 parameters and for enrollee wellness checks and further
 25 providing for applicability of other provisions of this act

1 and of other acts and regulations; and, in reimbursements by
2 Commonwealth and between school districts, further providing
3 for student-weighted basic education funding, providing for
4 adequacy and tax equity supplements and for accountability to
5 Commonwealth taxpayers and further providing for Pennsylvania
6 accountability grants.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

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

12 Section 134. Advertising and Sponsorships.--(a) A paid
13 media advertisement by a public school entity that refers to the
14 cost of tuition, technology, transportation or other expenses
15 shall not advertise those expenses as free, and any reference to
16 tuition, technology, transportation or other expenses must
17 indicate that the cost is covered by taxpayer dollars.

18 (b) A public school entity shall be prohibited from paying
19 for or utilizing any other form of consideration to sponsor a
20 public event.

21 (c) No later than August 1, 2025, each public school entity
22 shall report to the Department of Education the entity's total
23 expenditures for paid media advertisements and sponsorships of
24 public events for the 2023-2024 school year. The department
25 shall compile the results of the reporting and make the results
26 available on the Department of Education's publicly accessible
27 Internet website by December 1, 2025.

28 (d) As used in this section, the following words and phrases
29 shall have the meanings given to them in this subsection unless
30 the context clearly indicates otherwise:

31 "Paid media advertisement." The term includes a television,
32 radio, newspaper, magazine or movie theater advertisement,
33 billboard, bus poster or Internet-based or other commercial

1 method that may promote enrollment in a public school entity.

2 "Public event." An activity, event or gathering that members
3 of the public may attend, has been publicly announced or
4 publicized in advance and for which an admission fee or cost may
5 be required. The term includes concerts, performances, sporting
6 events, fairs, festivals, parades, performances and other
7 exhibitions. The term shall not include school-sponsored
8 activities as defined in section 1318.1(j).

9 "Public school entity." A public school district, charter
10 school entity as defined in section 1703-A, intermediate unit or
11 area career and technical school.

12 Section 2. Section 1703-A introductory paragraph and the
13 definitions of "appeal board," "chief executive officer" and
14 "school district of residence" of the act are amended and the
15 section is amended by adding definitions to read:

16 Section 1703-A. Definitions.--[As used in this article,] The
17 following words and phrases when used in this article shall have
18 the meanings given to them in this section unless the context
19 clearly indicates otherwise:

20 "Administrator" shall include the chief administrator of a
21 charter school entity and all other employes of a charter school
22 entity who by virtue of their positions exercise management or
23 operational oversight responsibilities.

24 * * *

25 "Appeal board" shall mean the State Charter School Appeal
26 Board established [by this article] under section 1721-A.

27 * * *

28 "Charter school entity" shall mean a charter school, regional
29 charter school, cyber charter school or multiple charter school
30 organization.

1 "Charter school foundation" shall mean a nonprofit
2 organization qualified as federally tax exempt under 26 U.S.C. §
3 501(c)(3) (relating to exemption from tax on corporations,
4 certain trusts, etc.), that provides funding or resources or
5 otherwise serves to support a charter school entity.

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

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

13 * * *

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

24 "Eligible applicant" shall mean a student who is seeking to
25 enter a grade level offered by the charter school entity and
26 meets the requirements of 22 Pa. Code §§ 11.12 (relating to
27 school age), 11.13 (relating to compulsory school age), 11.14
28 (relating to admission to kindergarten when provided), 11.15
29 (relating to admission of beginners), 11.16 (relating to early
30 admission of beginners) and 12.1 (relating to free education and

1 attendance) and student residency requirements.

2 "Emergency" shall mean a manmade or natural disaster. The
3 term includes a fire, a flood, an environmental hazard, damage
4 to a school building or other circumstance that impacts or could
5 impact the health or safety of students or staff or renders all
6 or part of a charter school facility unfit for use or
7 occupation.

8 "Family member" shall mean a parent, stepparent, child,
9 stepchild, spouse, domestic partner, brother, sister,
10 stepbrother, stepsister, grandparent, grandchild, parent-in-law,
11 brother-in-law, sister-in-law, aunt, uncle, or first cousin.

12 * * *

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

17 "Nonrelated" shall mean an individual who is not a family
18 member.

19 "Public hearing" shall mean a meeting held pursuant to 65
20 Pa.C.S. Ch. 7 (relating to open meetings) where the contemplated
21 action is considered and opportunities for the public to comment
22 on the contemplated action are provided during the meeting.

23 * * *

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

29 * * *

30 Section 2.1. Section 1715-A(12) of the act is amended to

1 read:

2 Section 1715-A. Charter School Requirements.--Charter
3 schools shall be required to comply with the following
4 provisions:

5 * * *

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

21 Section 3. Section 1725-A(a) introductory paragraph of the
22 act is amended to read:

23 Section 1725-A. Funding for Charter Schools.--(a) [Funding]
24 Except as provided in section 1725.1-A, funding for a charter
25 school shall be provided in the following manner:

26 * * *

27 Section 4. The act is amended by adding sections to read:

28 Section 1725.1-A. Funding for Cyber Charter Schools.--(a)
29 Notwithstanding section 1725-A(a)(2) and (3), per-student
30 funding amounts for students attending a cyber charter school

1 shall be calculated in accordance with this section.

2 (b) A cyber charter school may not charge tuition for a
3 student attending a cyber charter school. Beginning in the 2024-
4 2025 school year, a cyber charter school shall be paid by a
5 student's school district of residence using the Statewide Cyber
6 Charter School Tuition Rate, or the rate calculated under
7 section 1725-A(a)(2), whichever is lower.

8 (c) For the 2024-2025, 2025-2026 and 2026-2027 school years,
9 for non-special education students, a cyber charter school shall
10 receive for each student enrolled eight thousand dollars
11 (\$8,000). This amount shall be the Statewide Cyber Charter
12 School Tuition Rate.

13 (d) Beginning in the 2027-2028 school year and every three
14 (3) years thereafter, the Statewide Cyber Charter School Tuition
15 Rate shall be adjusted by the average annual percentage change
16 in real estate tax collection for all school districts for the
17 most recent three (3) year period as reported on the annual
18 financial report submitted in accordance with section 218. If
19 the average change is less than zero (0), there shall be no
20 change in the Statewide Cyber Charter School Tuition Rate.

21 (e) On or before April 30, 2027, and by April 30 of each
22 third year thereafter, the department shall calculate and post
23 on its publicly accessible Internet website the Statewide Cyber
24 Charter School Tuition Rate payable by a student's school
25 district of residence under subsection (d) for the next three
26 (3) school years.

27 (f) For special education students, a cyber charter school
28 shall receive the Statewide Cyber Charter School Tuition Rate
29 adjusted as follows:

30 (1) For each special education student enrolled in the cyber

1 charter school, multiply the Statewide Cyber Charter School
2 Tuition Rate by one and sixty-four hundredths (1.64).

3 (2) If the cyber charter school determines that the annual
4 expenditure for providing special education specific services
5 and programs to an enrolled student is likely to meet or exceed
6 the amount specified under section 1372(8) for Category 2, the
7 cyber charter school may apply to the department for an increase
8 in the Statewide Cyber Charter School Tuition Rate for the
9 student.

10 (3) If the department determines that the annual expenditure
11 for providing special education specific services and programs
12 to an enrolled student is likely to meet or exceed the amount
13 specified in section 1372(8) for Category 2, the department
14 shall direct the school district to pay the Statewide Cyber
15 Charter School Tuition Rate for the student adjusted as follows:

16 (i) for each special education student enrolled in the cyber
17 charter school for which the annual expenditure is in Category
18 2, multiply the Statewide Cyber Charter School Tuition Rate by
19 three and eight hundredths (3.08); or

20 (ii) for each special education student enrolled in the
21 cyber charter school for which the annual expenditure is in
22 Category 3, multiply the Statewide Cyber Charter School Tuition
23 Rate by six and thirty-four hundredths (6.34). For purposes of
24 this subparagraph, Category 3 shall include students in
25 Categories 3A and 3B under section 1372(8).

26 (g) The per-student amounts required under subsection (f)
27 shall be calculated by the department and posted on its publicly
28 accessible Internet website and shall be paid by the school
29 district of residence of each student.

30 (h) In accordance with guidelines developed by the

1 department, to be eligible to receive funding for special
2 education students under subsection (f)(2) and (3), the cyber
3 charter school shall provide the department with appropriate
4 documentation on the likely annual expenditure for providing an
5 education to the student.

6 (i) The weights provided under subsection (f) shall be
7 updated whenever the weights under section 2509.5(bbb)(2) for
8 the respective categories are adjusted for school districts.

9 (j) The calculation made under subsection (f) may not result
10 in a payment that exceeds the maximum amount within the
11 category's dollar range and the calculation under subsection (f)
12 (3)(ii) may not result in a payment that exceeds the actual
13 annual expenditure of providing an education to the student. If
14 the actual annual expenditure of providing special education
15 specific services and programs to a student in Category 3 is
16 less than the amount the cyber charter school received for the
17 student, the cyber charter school shall return to the school
18 district of residence any overage the cyber charter school
19 received for the student no later than August 1 of each year.
20 Section 1740-A. Cyber charter school requirements.

21 (a) General rule.--Cyber charter schools shall be required
22 to comply with the following provisions:

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

30 (2) A cyber charter school shall be accountable to the

1 parents, guardians, families, the public, the department and
2 the Commonwealth, with the delineation of that accountability
3 reflected in the charter. Strategies for meaningful parent,
4 guardian, family and community involvement shall be developed
5 and implemented by each cyber charter school.

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

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

10 (5) (i) Subject to subparagraph (ii), a cyber charter
11 school shall not provide any religious instruction, nor
12 shall it display religious objects and symbols on the
13 premises of the cyber charter school.

14 (ii) It shall not be a violation of this paragraph
15 for a cyber charter school to utilize a sectarian
16 facility:

17 (A) if the cyber charter school provides for
18 discrete separate entrances to buildings utilized for
19 school purposes only;

20 (B) if the religious objects and symbols within
21 the portions of the facility utilized by the cyber
22 charter school are covered or removed; or

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

26 (6) A cyber charter school shall not advocate unlawful
27 behavior.

28 (7) A cyber charter school shall participate in the
29 Pennsylvania State Assessment System as provided for in 22
30 Pa. Code Ch. 4 (relating to academic standards and

1 assessment), or subsequent regulations promulgated to replace
2 22 Pa. Code Ch. 4, in the same manner as school districts.

3 (8) A cyber charter school shall provide a minimum of
4 180 days of instruction or 900 hours per year of instruction
5 at the elementary level or 990 hours per year of instruction
6 at the secondary level.

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

11 (i) The following provisions of this act:

12 (A) Sections 751 and 751.1.

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

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

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

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

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

26 (10) Trustees of a cyber charter school shall be public
27 officials for the purposes of 65 Pa.C.S. Ch. 11 (relating
28 to ethics standards and financial disclosure), and each
29 trustee shall file a statement of financial interests for
30 the preceding calendar year with the secretary of the

1 board of trustees of the cyber charter school, the State
2 Ethics Commission and the department not later than May 1
3 of each year that members hold the position and of the
4 year after a member leaves the position. In the event
5 that the trustee was appointed or selected after May 1,
6 the trustee shall file a statement of financial interests
7 in accordance with this clause within 30 days of
8 appointment or selection. All members of the board of
9 trustees of a cyber charter school shall take the oath of
10 office as required under section 321 before entering upon
11 the duties of their office.

12 (b) Employees.--

13 (1) An administrator for a cyber charter school shall be
14 an employee of the cyber charter school and shall not receive
15 compensation from another charter school entity, from an
16 educational management service provider, from a charter
17 school foundation or from a company that provides management
18 or other services to another charter school entity.

19 (2) An administrator for a cyber charter school shall be
20 a public employee under 65 Pa.C.S. Ch. 11 and shall file a
21 statement of financial interest for the preceding calendar
22 year with the secretary of the board of trustees of the cyber
23 charter school not later than May 1 of each year that the
24 person holds the position and of the year after the person
25 leaves the position. In the event that the administrator was
26 appointed after May 1, the administrator shall file a
27 statement of financial interest in accordance with this
28 clause within 30 days of appointment.

29 (3) An administrator of a cyber charter school or family
30 member of an administrator may not serve as a voting member

1 of the board of trustees of the cyber charter school that
2 employs the administrator or of a charter school foundation
3 that supports the cyber charter school.

4 (4) An administrator of a cyber charter school may not
5 participate in the selection, award or administration of a
6 contract if the administrator has a conflict of interest as
7 the term is defined in 65 Pa.C.S. § 1102 (relating to
8 definitions). A contract made in violation of this paragraph
9 shall be voidable by the board of trustees of the cyber
10 charter school.

11 (5) An administrator shall be immediately dismissed upon
12 conviction or upon a plea of guilty or nolo contendere for an
13 offense graded as a felony, an infamous crime, an offense
14 pertaining to fraud, theft or mismanagement of public funds
15 or any crime involving moral turpitude.

16 (6) Cyber charter schools shall use the revised rating
17 system specified in Article XI Subarticle (c.1) to evaluate
18 employees serving as principals or school leaders, classroom
19 teachers and nonteaching professional employees.

20 Section 1740.1-A. Powers and composition of board of trustees.

21 (a) General rule.--The board of trustees of a cyber charter
22 school shall have the authority to decide matters related to the
23 operation of the school, including, but not limited to,
24 budgeting, curriculum and operating procedures, subject to the
25 school's charter. The board shall have the authority to employ,
26 discharge and contract with necessary professional and
27 nonprofessional employees subject to the school's charter and
28 the provisions of this article.

29 (b) Prohibition.--No member of a local board of school
30 directors of a school entity shall serve on the board of

1 trustees of a cyber charter school.

2 (c) Open meetings.--The board of trustees shall comply with
3 65 Pa.C.S. Ch. 7 (relating to open meetings).

4 (d) Board.--

5 (1) An individual shall be prohibited from serving as a
6 voting member of the board of trustees of a cyber charter
7 school under any of the following conditions:

8 (i) If the individual or a family member of the
9 individual is employed by or receives compensation from
10 the cyber charter school.

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

12 (A) the board of trustees or directors of a
13 charter school foundation that supports the cyber
14 charter school; or

15 (B) the board of trustees or directors of an
16 educational management service provider that
17 contracts with the cyber charter school.

18 (iii) The individual serves as a voting member of
19 the board of trustees of another charter school entity.

20 (2) A member of the board of trustees of a cyber charter
21 school may not participate in the selection, award or
22 administration of any contract if the member has a conflict
23 of interest as the term is defined in 65 Pa.C.S. § 1102
24 (relating to definitions).

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

1 (4) A member of the board of trustees of a cyber charter
2 school or family member of a member of a board of trustees of
3 a cyber charter school shall not, directly or through any
4 other individual, entity, partnership or corporation in which
5 the member holds stock or has a financial interest or other
6 organization, provide a loan, forbearance or forgiveness of a
7 loan or other debt, service or product or lease property to
8 the cyber charter school.

9 (5) A member of the board of trustees of a cyber charter
10 school who violates the provisions of this subsection commits
11 a violation of 65 Pa.C.S. § 1103(a) and shall be subject to
12 the penalties imposed under the jurisdiction of the State
13 Ethics Commission.

14 (6) A contract made in violation of this subsection
15 shall be voidable by a court of competent jurisdiction.

16 (e) Compensation.--A member of the board of trustees of a
17 cyber charter school shall not be compensated for duties on the
18 board of trustees, except that the cyber charter school may
19 reimburse the members for reasonable expenses incurred in the
20 performance of their duties. A report detailing the reasons for
21 and amounts of reimbursements paid to each member of the board
22 of trustees shall be made available upon request of any person,
23 including in response to a request under the act of February 14,
24 2008 (P.L.6, No.3), known as the Right-to-Know Law.

25 (f) Action.--

26 (1) A majority of the voting members of the board of
27 trustees shall constitute a quorum. If less than a majority
28 is present at any meeting, no business may be transacted at
29 the meeting but the members present may adjourn to some
30 stated time.

1 (2) The affirmative vote of a majority of all the voting
2 members of the board of trustees, duly recorded, showing how
3 each member voted, shall be required in order to take
4 official action.

5 (g) Composition.--

6 (1) The board of trustees of a cyber charter school
7 shall consist of a minimum of seven nonrelated voting
8 members. If a cyber charter school has fewer than seven
9 members serving on its board of trustees on the effective
10 date of this subsection, the cyber charter school shall,
11 within 60 days, appoint or select additional members to the
12 board of trustees to meet the minimum requirements of this
13 section.

14 (2) Within one year of the effective date of this
15 subsection, the board of trustees shall include at least one
16 parent or guardian of a student enrolled in the cyber charter
17 school. The trustee appointed under this paragraph shall be
18 eligible to serve only so long as they have at least one
19 child enrolled in the cyber charter school. This subparagraph
20 shall not apply to a cyber charter school that serves
21 primarily adjudicated youth.

22 (3) A member of the board of trustees of a cyber charter
23 school shall be automatically disqualified and immediately
24 removed from the board of trustees upon conviction or upon a
25 plea of guilty or nolo contendere for an offense graded as a
26 felony, an infamous crime, an offense pertaining to fraud,
27 theft or mismanagement of public funds, any offense
28 pertaining to the member's official capacity as a member of
29 the board of trustees, an offense listed in section 111(e) or
30 any crime involving moral turpitude. A member of the board of

1 trustees may also be removed from the board of trustees for
2 violation of applicable laws, regulations and terms of the
3 charter as well as any standards for board of trustees'
4 performance established by the board of trustees.

5 (4) In case any vacancy shall occur in any board of
6 trustees by reason of death, resignation or otherwise, the
7 vacancy shall be filled within 60 days following the vacancy.

8 Section 1740.2-A. Educational management service providers.

9 (a) General rule.--An educational management service
10 provider that provides a service to a cyber charter school:

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

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

17 (b) Employees.--Employees of an educational management
18 service provider that provides a service to a cyber charter
19 school are public employees for the purpose of 65 Pa.C.S. Ch. 11
20 (relating to ethics standards and financial disclosure).

21 Section 5. Sections 1741-A and 1742-A of the act are amended
22 to read:

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

24 (a) Powers and duties.--The department shall have all powers
25 necessary to:

26 (1) Receive, review and act on applications for the
27 creation of a cyber charter school [and have] including, but
28 not limited to, the power to request further information from
29 applicants, obtain input from interested persons or entities
30 and hold public hearings regarding applications. At least one

1 public hearing shall be held prior to granting or denying an
2 application.

3 (2) [Renew] Receive, review and act on applications to
4 amend and renew the charter of a cyber charter school. [and
5 renew the charter of a charter school approved under section
6 1717-A or 1718-A which provides instruction through the
7 Internet or other electronic means. Upon renewal of a charter
8 of a charter school approved under section 1717-A or 1718-A,
9 the charter school shall qualify as a cyber charter school
10 under this subdivision and shall be subject to the provisions
11 of this subdivision.]

12 (3) Revoke or deny renewal of a cyber charter school's
13 charter under the provisions of section [1729-A] 1745.3-A.

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

24 (ii) Notwithstanding any laws to the contrary, the
25 department may, after notice and hearing, take immediate
26 action to revoke a charter if:

27 (A) a material component of the student's
28 education as required under this subdivision is not
29 being provided; or

30 (B) the cyber charter school has failed to

1 maintain the financial ability to provide services as
2 required under this subdivision.]

3 (4) Execute charters after approval.

4 [(5) Develop forms, including the notification form
5 under section 1748-A(b), necessary to carry out the
6 provisions of this subdivision.]

7 (b) Hearings.--[Hearings] Public hearings conducted by the
8 department shall be conducted under 65 Pa.C.S. Ch. 7 (relating
9 to open meetings).

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

14 (d) Form.--

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

21 (i) The student's name, address of residence,
22 resident school district, telephone number, age, birth
23 date, current grade level and the grade level in which
24 the student is being enrolled. The cyber charter school
25 shall be required to verify the student's residency
26 within the school district of residence.

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

30 (iii) The date and grade level in which the student

1 will be enrolled.

2 (iv) A space for the cyber charter school to include
3 the name of the cyber charter school and the name,
4 telephone number and email address of a contact person at
5 the cyber charter school.

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

8 (2) The standard enrollment form shall be made
9 physically available at each cyber charter school location,
10 in a form that complies with Federal and State law, and
11 posted on the publicly accessible Internet website of the
12 cyber charter school. A cyber charter school may accept the
13 enrollment form via paper or electronic means.

14 (3) A cyber charter school shall not require or request
15 information beyond the contents of the standard enrollment
16 form developed by the department.

17 (4) Nothing in this subsection shall be construed to
18 prohibit a cyber charter school from requesting the
19 submission of additional records and information that public
20 schools are entitled to receive after a student is accepted
21 for admission to, and has indicated an intent to enroll in,
22 the cyber charter school.

23 [Section 1742-A. Assessment and evaluation.

24 The department shall:

25 (1) Annually assess whether each cyber charter school is
26 meeting the goals of its charter and is in compliance with
27 the provisions of the charter and conduct a comprehensive
28 review prior to granting a five-year renewal of the charter.

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

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

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

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

11 Section 1742.1-A. Annual reports and public reporting.

12 (a) Department duties.--The department shall:

13 (1) Annually assess and evaluate whether each cyber
14 charter school is meeting the goals of its charter. This may
15 include, but not be limited to, a review of academic
16 performance, financial management, audit results, governance
17 and operation, and compliance with state and federal laws and
18 regulations.

19 (2) Conduct a comprehensive review prior to granting a
20 renewal of the charter. This may include, but not be limited
21 to, a review of academic performance, financial management,
22 audit results, governance and operation, and compliance with
23 state and federal laws and regulations.

24 (3) Have ongoing access to the records, systems and
25 facilities of the cyber charter school and any related
26 charter school foundation or educational management service
27 provider to facilitate the annual and comprehensive reviews
28 required in this subsection and to ensure that the cyber
29 charter school is in compliance with its charter and this
30 article and that requirements for testing, civil rights and

1 student health and safety are being met.

2 (b) Report.--In order to facilitate the department's review
3 under subsection (a), each cyber charter school shall submit an
4 annual report no later than August 1 of each year to the
5 department and all local boards of school directors that have a
6 student enrolled in the cyber charter school in the form
7 prescribed by the department. The following shall apply to the
8 report:

9 (1) The annual report submitted under this subsection
10 shall include, but not be limited to, the number of students
11 who enroll in the cyber charter school and the number of
12 those students who are identified by the cyber charter school
13 as needing special education as well as the level of services
14 being provided to the student.

15 (2) A copy of the annual report submitted under this
16 subsection, including all exhibits and attachments to the
17 report, shall also be maintained at each facility of the
18 cyber charter school and be made available for public
19 inspection and copying and shall be posted on the cyber
20 charter school's publicly accessible Internet website.

21 (c) Compliance.--Cyber charter schools shall comply fully
22 with the requirements of the Family Educational Rights and
23 Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232g) and
24 associated regulations in all public reporting.

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

1 public meeting of the board of trustees. The audit shall be
2 conducted under generally accepted audit standards of the
3 Governmental Accounting Standards Board and shall at a minimum
4 include the following:

5 (1) An enrollment audit to verify the accuracy of
6 student enrollment, including the enrollment, withdrawal and
7 residency of students and the reporting of the enrollment
8 information to the department and the school district of
9 residence.

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

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

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

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

23 (6) Review of the selection and acceptance process of
24 all contracts publicly bid pursuant to sections 751 and
25 807.1.

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

1 audits; public bidding; and bonding.

2 (e) Audit.--A cyber charter school may be subject to an
3 annual audit by the Auditor General, the department, or any
4 other entity granted authority to audit cyber charter schools in
5 addition to any other audits required by Federal or State law or
6 this act.

7 (f) Budget.--

8 (1) A cyber charter school shall annually, not later
9 than June 30 of each year, adopt and provide the department
10 and any school district which has a student enrolled with a
11 copy of the annual budget on a form prepared by the
12 department, which shall require that the cyber charter school
13 provide no more information than that provided by school
14 districts pursuant to section 687.

15 (2) The cyber charter school shall print or otherwise
16 make available for public inspection a copy of the proposed
17 annual budget to all persons at least 20 days prior to the
18 date set for the adoption of the final budget. A copy of the
19 annual budget shall also be posted on the cyber charter
20 school's publicly accessible Internet website.

21 (3) On the date of adoption of the proposed budget
22 required under this subsection, the president or chair of the
23 cyber charter school's board of trustees shall certify to the
24 department that the proposed budget has been prepared,
25 presented and made available for public inspection using the
26 uniform form prepared and furnished by the department. The
27 certification shall be in a form and manner as required by
28 the department. Final action shall not be taken on a proposed
29 budget that has not been prepared, presented and made
30 available for public inspection using the uniform form

1 prepared and furnished by the department.

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

5 (g) Accessibility.--Notwithstanding any other provision of
6 law, a cyber charter school and an affiliated charter school
7 foundation shall make copies of the following available upon
8 request and on the cyber charter school's or charter school
9 foundation's publicly accessible Internet website, if one is
10 maintained:

11 (1) Annual budgets for the cyber charter school, as
12 provided for in subsection (f), and charter school foundation
13 for the most recent five school years, as available. A
14 charter school foundation shall include in its annual budget
15 the salaries of all employees of the charter school
16 foundation.

17 (2) Annual Federal and State tax filings, including
18 Internal Revenue Service Form 990, Return of Organization
19 Exempt from Income Tax and all related schedules and
20 appendices for the cyber charter school and charter school
21 foundation for the previous five school years.

22 (3) Certified audits under subsection (d) and any
23 Federal and State audits provided under subsection (e) for
24 the cyber charter school and charter school foundation for
25 the previous five school years, as available.

26 (4) Annual reports filed by the cyber charter school
27 under subsection (b) for the previous five school years, as
28 available.

29 Section 1742.2-A. Fund balance limits.

30 (a) Limitation.--For the 2025-2026 school year and each

1 school year thereafter a cyber charter school shall not
 2 accumulate an unassigned fund balance that exceeds the
 3 following:

<u>Cyber Charter School</u>	<u>Estimated Ending Unassigned Fund</u>
<u>Total Budgeted</u>	<u>Balance as Percentage of Total</u>
<u>Expenditures</u>	<u>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>

16 (b) Refund.--Any unassigned fund balance in place on June
 17 30, 2025, and on June 30 of each year thereafter in excess of
 18 the fund balance limit established in subsection (a) shall be
 19 refunded on a pro rata basis within 90 days to all school
 20 districts that paid tuition to the cyber charter school in the
 21 prior school year, based upon the number of students for whom
 22 each school district paid tuition to the cyber charter school
 23 multiplied by the Statewide Cyber Charter School Tuition Rate
 24 under section 1725.1-A.

25 (c) Information.--By October 31, 2025, and by October 31 of
 26 each year thereafter, each cyber charter school shall provide
 27 the department and all school districts that paid tuition to the
 28 cyber charter school in the prior school year with information
 29 certifying compliance with this section. The information shall
 30 be provided in a form and manner prescribed by the department

1 and shall include information on the cyber charter school's
2 estimated ending unassigned fund balance expressed as a dollar
3 amount and as a percentage of the cyber charter school's total
4 budgeted expenditures for that school year.

5 (d) Prohibition.--Unassigned funds of the cyber charter
6 school in excess of the unassigned fund balance limit may not be
7 used to pay bonuses to an administrator, a board of trustees
8 member, an employee, a staff member or a contractor and may not
9 be transferred to a charter school foundation. If a cyber
10 charter school uses funds in excess of the unassigned fund
11 balance limit to pay bonuses to an administrator, a board of
12 trustees member, an employee, a staff member or a contractor or
13 transfers the funds to a charter school foundation, the value of
14 the bonus payment or fund transfer shall be refunded on a pro
15 rata basis to all school districts that paid tuition to the
16 cyber charter school in the prior school year, based upon the
17 number of students for whom each school district paid tuition to
18 the cyber charter school multiplied by the Statewide Cyber
19 Charter School Tuition Rate under section 1725.1-A.

20 (e) Definitions.--As used in this section, the following
21 words and phrases shall have the meanings given to them in this
22 subsection unless the context clearly indicates otherwise:

23 "Unassigned fund balance." The portion of the fund balance
24 of a cyber charter school that is appropriable for expenditure
25 or not legally or otherwise segregated for a specific or
26 tentative future use, projected for the close of the school year
27 for which a cyber charter school's budget was adopted and held
28 in the General Fund accounts of the cyber charter school.

29 Section 7. Sections 1743-A and 1744-A of the act are amended
30 to read:

1 Section 1743-A. Cyber charter school requirements and
2 prohibitions.

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

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

7 (2) [except as provided for in subsection (e),] provide
8 payments or reimbursements to parents or guardians for the
9 purchase of instructional materials[; or], for educational or
10 field trips or for any other reason not expressly provided
11 for in subsection (e);

12 (3) offer or provide parents or guardians or students
13 cash, gifts or other incentives having more than a de minimus
14 value for enrolling in, attending or considering enrollment
15 or attendance in the school; or

16 (4) except as compensation for the provision of specific
17 services, enter into agreements to provide funds to a school
18 entity.

19 (b) Enrollment.--A cyber charter school shall report to the
20 department an increase or a decrease of 30% or more in its
21 anticipated enrollment set forth in the application under
22 section [1747-A(11)] 1747-A(3).

23 (c) School district.--A cyber charter school shall make
24 available upon request, either in writing or electronically, to
25 each student's school district of residence the following:

26 (1) A copy of the charter.

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

28 (3) A copy of all annual reports prepared by the cyber
29 charter school under this article.

30 (4) A list of all students from that school district

1 enrolled in the cyber charter school.

2 (5) Information required under section 1725.1-A.

3 (d) Parent or guardian.--Upon request and prior to the
4 student's first day in a cyber charter school, the cyber charter
5 school shall, either in writing or electronically, provide to
6 the parent or guardian of a student the following:

7 (1) A current list and brief description of the courses
8 of instruction the student will receive. The list shall be
9 updated annually for each grade level in which the student is
10 enrolled.

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

13 (3) The manner in which attendance will be reported and
14 work will be authenticated.

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

18 (5) The meetings to be held during the school year
19 between a parent or guardian and a teacher and among other
20 school officials or parents or guardians and the manner in
21 which the parent or guardian will be notified of the time and
22 place for the meeting.

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

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

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

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

3 (10) Copies of policies relating to computer security
4 and privacy, truancy, absences, discipline and withdrawal or
5 expulsion of students.

6 (11) Information on:

7 (i) The cyber charter school's professional staff,
8 including the number of staff personnel, their education
9 level and experience.

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

12 (iii) The cyber charter school's graduation rate, if
13 applicable.

14 (iv) The cyber charter school's designation as a
15 Comprehensive Support and Improvement school, Targeted
16 Support and Improvement School or an Additional Targeted
17 Support and Improvement School under the Every Student
18 Succeeds Act (Public Law 114-95, 129 Stat.1802) or an
19 equivalent building level designation under its successor
20 Federal statute along with a description of the
21 designation, if applicable.

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

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

30 (e) Students.--For each student enrolled, a cyber charter

1 school shall:

2 (1) provide all instructional materials, which may
3 include electronic or digital books in place of paper books;

4 (2) provide all equipment, including, but not limited
5 to, a computer, computer monitor and printer, provided that a
6 parent or guardian of an enrolled child may elect not to
7 receive a computer monitor and printer; and

8 (3) provide or reimburse for [all] technology and
9 services necessary for the [on-line] online delivery of the
10 curriculum and instruction. The department shall establish a
11 maximum allowable reimbursement rate for the technology and
12 services required under this paragraph.

13 (e.1) The Commonwealth and school district of residence
14 shall not be liable for any reimbursement owed to students,
15 parents or guardians by a cyber charter school under [paragraph
16 (3)] subsection (e) (3).

17 [(f) Annual report.--A cyber charter school shall submit an
18 annual report no later than August 1 of each year to the
19 department in the form prescribed by the department.]

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

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

1 cyber charter school shall be considered as the principal place
2 of business for service of process for any action brought
3 against the cyber charter school or cyber charter school staff
4 members. The cyber charter school shall notify the department of
5 any changes in this information within [ten] 10 days of the
6 change.

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

19 (j) Agreements.--Notwithstanding any other provision of law,
20 a cyber charter school may enter into agreements with school
21 districts, intermediate units, career and technical centers or
22 any other public or private school entities located within this
23 Commonwealth for the provision of programs, courses or other
24 educational services.

25 Section 1744-A. School district and intermediate unit
26 responsibilities.

27 (a) General rule.--An intermediate unit or a school district
28 in which a student enrolled in a cyber charter school resides
29 shall do all of the following:

30 (1) Provide the cyber charter school within [ten] 10

1 days of receipt of the notice of the admission of the student
2 under section 1748-A(a) with all records relating to the
3 student, including transcripts, test scores and a copy of any
4 individualized education program for that student.

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

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

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

15 (b) Transportation.--A school district in which a student
16 enrolled in a cyber charter school resides shall provide
17 transportation to students with an individualized education
18 program to the extent required by the individualized education
19 program.

20 (c) Services.--An intermediate unit in which a student
21 enrolled in a cyber charter school resides may not refuse to
22 provide any service to a cyber charter school that requests
23 services for a student.

24 Section 8. The act is amended by adding a section to read:
25 Section 1744.1-A. Access to other schools' facilities.

26 (a) Access.--A school district, intermediate unit, community
27 college under Article XIX-A or institution under Article XX-A
28 shall provide a cyber charter school with reasonable access to
29 facilities of the school district, intermediate unit, community
30 college or institution for the administration of standardized

1 testing. The following shall apply:

2 (1) The cyber charter school shall provide the school
3 district, intermediate unit, community college or institution
4 with at least 60 days notice of the need for facilities to be
5 used for the administration of standardized tests.

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

14 (3) The school district, intermediate unit, community
15 college or institution shall not be required to make
16 facilities available to a cyber charter school on dates and
17 at times that may cause undue interference with the
18 educational programs or assessment schedule of the school
19 district, intermediate unit, community college or
20 institution.

21 (4) Any rental fee for the facilities charged to the
22 cyber charter school and the payment of the fee shall be in
23 compliance with the rental policy of the school district,
24 intermediate unit, community college or institution that
25 applies generally to other organizations and community
26 groups.

27 (b) Computers or other devices.--Nothing in this section
28 shall require a school district, intermediate unit, community
29 college or institution to provide a cyber charter school with
30 computers or any other devices which will be used by students to

1 take standardized tests.

2 Section 9. Section 1745-A of the act is amended to read:

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

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

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

17 (c) Attendance.--

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

20 (2) On a form developed by the department and beginning
21 in the 2024-2025 school year, a cyber charter school shall
22 report, on a weekly basis, the attendance of each student for
23 the preceding week to the school district of residence.

24 (d) Application.--An application to establish a cyber
25 charter school shall be submitted to the department by October 1
26 of the school year preceding the school year in which the cyber
27 charter school proposes to commence operation.

28 (e) Grant or denial.--Within 120 days of receipt of an
29 application, the department shall grant or deny the application.
30 The department shall review the application and shall hold at

1 least one public hearing [under 65 Pa.C.S. Ch. 7 (relating to
2 open meetings)]. At least 30 days prior to the hearing, the
3 department shall publish in the Pennsylvania Bulletin and on the
4 department's [World Wide Web site] publicly accessible Internet
5 website notice of the hearing and the purpose of the
6 application.

7 (f) Evaluation criteria.--

8 (1) A cyber charter school application submitted under
9 this subdivision shall be evaluated by the department based
10 on the following criteria:

11 (i) The demonstrated, sustainable support for the
12 cyber charter school plan by teachers, parents or
13 guardians and students.

14 (ii) The capability of the cyber charter school
15 applicant, in terms of support and planning, to provide
16 comprehensive learning experiences to students under the
17 charter.

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

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

25 (v) The extent to which the cyber charter school may
26 serve as a model for other public schools, including
27 other cyber charter schools.

28 (2) Written notice of the action of the department shall
29 be sent by certified mail to the applicant and published on
30 the department's [World Wide Web site] publicly accessible

1 Internet website. If the application is denied, the reasons
2 for denial, including a description of deficiencies in the
3 application, shall be clearly stated in the notice.

4 (3) Upon approval of a cyber charter school application,
5 a written charter shall be developed which shall contain the
6 provisions of the charter application and be signed by the
7 secretary and each member of the board of trustees of the
8 cyber charter school. The charter, when duly signed, shall
9 act as legal authorization of the establishment of a cyber
10 charter school. The charter shall be legally binding on the
11 department, the cyber charter school and its board of
12 trustees. The charter shall be for a period of no less than
13 three years nor more than five years and may be renewed for a
14 period of five years by the department.

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

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

21 (h) Appeal.--If the department fails to hold the required
22 public hearing or [to approve or disapprove] denies the
23 [charter] application, the applicant may file its application as
24 an appeal to the appeal board pursuant to section 1746-A. The
25 appeal board shall provide notice of the appeal to the
26 department and may allow the department to be heard on the
27 application. If the department fails to respond within 30 days,
28 the appeal board shall review the application and make a
29 decision to approve or disapprove the charter based on the
30 criteria in subsection (f). An appeal must be filed no later

1 than 30 days following the date by which the department was
2 required to act on the application in accordance with subsection
3 (e) or (g), as applicable, or the date of mailing of the written
4 notice issued under subsection (f) (2).

5 Section 10. The act is amended by adding sections to read:

6 Section 1745.1-A. Renewals.

7 (a) General rule.--A cyber charter school shall submit a
8 renewal application as provided under section 1747-A(b) with the
9 department by October 1 of the final year of the charter.

10 (b) Action.--The department shall, no later than 120 days
11 after receipt of a complete renewal application, act to renew or
12 not renew the charter. The department may, in its sole
13 discretion, hold a public hearing to discuss the renewal.

14 (c) Extension.--A renewal shall serve as a requirement for
15 the department to extend the charter pursuant to 1745-A(f) (3).

16 (d) Renewal.--Failure to adhere to subsection (b) shall
17 result in the charter being renewed in accordance with section
18 1745-A(f) (3).

19 (e) Appeal.--Unless otherwise provided in this article, a
20 cyber charter school that appeals a nonrenewal may continue
21 operating based on the terms and conditions contained in the
22 most recent charter pending the decision of the appeal board.

23 Section 1745.2-A. Charter amendments.

24 (a) Filing.--Subject to subsections (b) and (c), a cyber
25 charter school may request amendments to its charter by filing
26 an amendment application describing the requested amendment with
27 the department no later than October 15 of the school year prior
28 to the school year in which the amendment would take effect.

29 Approval from the department shall only be required for changes
30 to one or more material terms of a written charter.

1 (b) Emergency.--Notwithstanding the notice requirements of
2 subsection (a), in the event of an emergency, the cyber charter
3 school shall immediately notify the department of the necessity
4 for an emergency amendment, which shall be effective immediately
5 as a temporary amendment pending completion of the processes set
6 forth in this section.

7 (c) Time.--A cyber charter school may not seek an amendment
8 during the first or final year of the charter term. A cyber
9 charter school seeking an amendment during the final year of the
10 charter term shall submit the amendment application along with
11 the renewal application under section 1745.1.

12 (d) Form.--The department shall create a model amendment
13 application form for a cyber charter school seeking to amend its
14 approved written charter agreement. The form shall be
15 transmitted to the Legislative Reference Bureau for publication
16 in the next available issue of the Pennsylvania Bulletin.
17 published in the Pennsylvania Bulletin and posted on the
18 department's publicly accessible Internet website.

19 (1) The model amendment application shall include the
20 following information:

21 (i) The name of the cyber charter school.

22 (ii) The name and contact information for the chief
23 administrator and board of trustees president or
24 chairperson.

25 (iii) The physical location of the cyber charter
26 school, the ownership of the cyber charter school and any
27 lease arrangements.

28 (iv) The amendments being requested to the approved
29 written charter agreement and the reason for requesting
30 the amendments.

1 (v) Evidence of the board of trustees vote to
2 approve seeking an amendment.

3 (2) The department shall review the model application
4 and renewal application forms at least every three years with
5 feedback and input from stakeholders and revise the
6 application forms as needed.

7 (e) Changes.--Nothing in this section shall prevent the
8 department from supplementing the established model applications
9 or requiring additional information as permitted by this act
10 necessary to evaluate the application.

11 (f) Posting.--Pursuant to subsection (d), the department
12 shall post the model application and renewal application on its
13 publicly accessible Internet website no later than August 1,
14 2024.

15 (g) Use.--The model application forms developed under this
16 section shall be used by charter school entities beginning in
17 the 2025-2026 school year.

18 (h) Hearing.--Within 60 days of receipt by the department of
19 an amendment application, the department shall hold a public
20 hearing on the provisions of the charter amendment request.

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

25 (j) Approval.--If the amendment request is granted, the
26 cyber charter school's written charter shall be supplemented or
27 amended, as appropriate, to contain the provisions of the
28 amendment request, and the amended charter shall be signed by
29 the department and the president or chairperson of the cyber
30 charter school's board of trustees. The amended charter, when

1 duly signed, shall act as legal authorization of the operation
2 of the cyber charter school in accordance with the amended
3 charter. The amended charter shall be legally binding on the
4 department and the cyber charter school and its board of
5 trustees and shall be effective for the remainder of the term of
6 the charter.

7 (k) Denial.--If the amendment request is denied, the reasons
8 for the denial, including a description of deficiencies in the
9 amendment request, shall be clearly stated in the written notice
10 sent by the department to the cyber charter school. The denial
11 of an amendment pursuant to this section may be appealed to the
12 appeal board in accordance with section 1746-A. The decision to
13 deny the request shall not preclude the cyber charter school
14 from revising and resubmitting a request for a charter amendment
15 in the future in accordance with the procedures specified in
16 this section to address any deficiencies in the previous request
17 as identified by the department in its written notice denying
18 the amendment request.

19 (l) Request.--Notwithstanding subsection (a), a cyber
20 charter school may request amendments to its approved written
21 charter at the time of renewal. Charter amendment requests made
22 at the time of renewal shall be considered distinct requests
23 that shall be subject to independent approval or denial by the
24 department, in accordance with the provisions of this section.

25 (m) Definitions.--As used in this section, the following
26 words and phrases shall have the meanings given to them in this
27 subsection unless the context clearly indicates otherwise:

28 "Material term." The following:

29 (1) Changing the name of the cyber charter school.

30 (2) Change in building location or addition of a new

1 facility.

2 (3) Change in educational management service provider.

3 (4) Change to curriculum provider.

4 (5) Change to mission or educational goals of the cyber
5 charter school.

6 (6) Change to grade levels served other than those
7 included in the approved charter application even if those
8 grades are not currently implemented.

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

11 Section 1745.3-A. Causes for nonrenewal, revocation or
12 termination.

13 (a) Revocation or nonrenewal.--During the term of the
14 charter or at the end of the term of the charter, the department
15 may choose to revoke or not to renew the charter based on any of
16 the following:

17 (1) One or more material violations of any of the
18 conditions, standards or procedures contained in the written
19 charter signed pursuant to section 1745-A.

20 (2) Failure to meet the requirements for student
21 performance set forth in 22 Pa. Code Ch. 4 (relating to
22 academic standards and assessment) or subsequent regulations
23 promulgated to replace 22 Pa. Code Ch. 4.

24 (3) Failure to meet any performance targets set forth in
25 the written charter signed pursuant to section 1745-A.

26 (4) Designation by the department as a Comprehensive
27 Support and Improvement school at least two times under the
28 Every Student Succeeds Act (Public Law 114-95, 129 Stat.
29 1802) or an equivalent building level designation under its
30 successor Federal statute.

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

3 (6) Violation of a provision of this article.

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

7 (8) The cyber charter school has been convicted of or
8 entered a plea of guilty or nolo contendere to a charge
9 involving fraud.

10 (9) Failure of the cyber charter school or an
11 administrator or member of the board of trustees of the cyber
12 charter school to comply with:

13 (i) 65 Pa.C.S. Ch. 7 (relating to open meetings);

14 (ii) 65 Pa.C.S. Ch. 11 (relating to ethics standards
15 and financial disclosure) or any other conflict of
16 interest prohibition in this article; or

17 (iii) the act of February 14, 2008 (P.L.6, No.3),
18 known as the Right-to-Know Law.

19 (10) Failure to timely comply with auditing requirements
20 from which the cyber charter school has not been exempted.

21 (11) Failure to timely comply with reporting
22 requirements from which it has not been exempted, including
23 the submission of an annual budget required by section
24 1742.1-A(g), an annual financial report required by section
25 218 and the annual report required by section 1742.1-A(b).

26 (12) Failure to provide ongoing access to the records
27 and facilities of the cyber charter school as required by
28 section 1742.1-A(a) (3).

29 (13) A reason to revoke or not renew a charter as
30 provided in regulations promulgated by the department.

1 (b) Notice.--A notice of revocation or nonrenewal of a
2 charter shall be in writing and state the grounds for the action
3 with reasonable specificity and give reasonable notice to the
4 board of trustees of the cyber charter school of the date on
5 which a public hearing concerning the revocation or nonrenewal
6 will be held. The department shall conduct the hearing, present
7 evidence in support of the grounds for revocation or nonrenewal
8 stated in its notice and give the cyber charter school
9 reasonable opportunity to offer testimony before taking final
10 action. Formal action revoking or not renewing a charter shall
11 be taken by the department at a public meeting pursuant to 65
12 Pa.C.S. Ch. 7 (relating to open meetings) after the public has
13 had 30 days to provide comments to the board. Within 60 days
14 following the public meeting in which formal action is taken,
15 the decision of the department revoking or not renewing a
16 charter shall be provided to the cyber charter school in
17 writing. Proceedings of the department pursuant to this
18 subsection shall be subject to 2 Pa.C.S. Ch. 5 Subch. A
19 (relating to practice and procedure of Commonwealth agencies).
20 Except as provided in subsection (c), the decision of the
21 department shall not be subject to 2 Pa.C.S. Ch. 7 Subch. A
22 (relating to judicial review of Commonwealth agency action).

23 (c) Appeal.--A cyber charter school may appeal the decision
24 of the department to revoke or not renew the charter to the
25 appeal board. The appeal must be filed with the appeal board no
26 later than 60 days following issuance by the department of its
27 written decision under subsection (b). The appeal board shall
28 have the exclusive review of a decision not to renew or revoke a
29 charter. The appeal board shall review the record and shall have
30 the discretion to supplement the record if the supplemental

1 information was previously unavailable. The appeal board may
2 consider the charter school plan, annual reports, and student
3 performance in addition to the record. The appeal board shall
4 determine whether the department's decision was arbitrary and
5 capricious and specifically articulate its reasons for its
6 findings in a written decision.

7 (d) Effect.--Except as provided in subsection (e), the
8 charter shall remain in effect until final disposition by the
9 appeal board. If the appeal board upholds a determination of the
10 department that the charter should be revoked or not renewed,
11 the charter shall remain in effect until the end of the school
12 year or such other time as the appeal board directs.

13 (e) Immediate action.--Notwithstanding any other law, the
14 department may, after notice and hearing, take immediate action
15 to revoke a charter if any of the following apply:

16 (1) A material component of the student's education as
17 required under this subdivision is not being provided.

18 (2) The cyber charter school has failed to maintain the
19 financial ability to provide services as required under this
20 subdivision.

21 (3) The health or safety of the cyber charter school's
22 pupils, staff or both is at serious risk.

23 (f) Dissolution.--If a charter is revoked, not renewed,
24 forfeited, surrendered or otherwise ceases to operate, the cyber
25 charter school shall be dissolved. After the disposition of any
26 liabilities and obligations of the cyber charter school, any
27 remaining assets of the cyber charter school, both real and
28 personal, shall be distributed on a proportional basis to the
29 school entities with students enrolled in the cyber charter
30 school for the last full or partial school year of the cyber

1 charter school. A school entity or the Commonwealth may not be
2 liable for any outstanding liabilities or obligations of the
3 cyber charter school.

4 (g) Enrollment.--If a charter is revoked or is not renewed,
5 a student who attended the cyber charter school shall be
6 enrolled in another public school or another school or program
7 which legally fulfills the compulsory school attendance
8 requirements of this act. The normal application deadlines for
9 the school or program shall not apply if a charter is revoked or
10 is not renewed. Student records maintained by the cyber charter
11 school shall be forwarded to the student's new school within 10
12 days.

13 Section 11. Sections 1746-A, 1747-A and 1748-A of the act
14 are amended to read:

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

16 (a) Jurisdiction.--The appeal board shall have the exclusive
17 review of an appeal by a cyber charter school applicant or by
18 the board of trustees of a cyber charter school on the decisions
19 of the department, including:

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

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

22 (3) The revocation of a charter.

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

24 (5) The denial of an amendment application.

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

26 (1) Review the decision made by the department under
27 subsection (a) on the record as certified by the department.

28 The secretary shall recuse himself from all cyber charter
29 school appeals and shall not participate in a hearing,

30 deliberation or vote on a cyber charter school appeal. The

1 appeal board may allow the department, the cyber charter
2 school applicant or the board of trustees of a cyber charter
3 school to supplement the record if the supplemental
4 information was previously unavailable.

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

7 (3) Issue a written decision affirming or denying the
8 appeal no later than 60 days following its review.

9 (4) In the case of a decision by the department to deny
10 a cyber charter application, make its decision based on
11 section 1745-A(f)(1). A decision by the appeal board to
12 reverse the decision of the department and grant a charter
13 shall serve as a requirement for the secretary to sign the
14 written charter of the cyber charter school.

15 (5) In the case of a decision by the department to
16 revoke or deny renewal of a cyber school charter in
17 accordance with section 1741-A(a)(3), make its decision based
18 on section [1729-A(a)] 1745.3(a). A decision of the appeal
19 board to reverse the decision of the department to not revoke
20 or deny renewal of a charter shall serve as a requirement of
21 the department to not revoke or to not deny renewal of the
22 charter of the cyber charter school. The appeal board shall
23 specify its findings in a written decision. If the appeal
24 board determines that the charter should be revoked or not
25 renewed, the charter shall remain in effect until the end of
26 the school year or another time as the appeal board directs.

27 (c) Stay.--If the department appeals the decision of the
28 appeal board, the appeal board's decision shall be stayed only
29 upon order of the appeal board, the Commonwealth Court or the
30 Pennsylvania Supreme Court.

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

3 Section 1747-A. Cyber charter school application.

4 [In addition to the provisions of section 1719-A, an
5 application to establish a cyber charter school shall also
6 include the following:

7 (1) The curriculum to be offered and how it meets the
8 requirements of 22 Pa. Code Ch. 4 (relating to academic
9 standards and assessment) or subsequent regulations
10 promulgated to replace 22 Pa. Code Ch. 4.

11 (2) The number of courses required for elementary and
12 secondary students.]

13 (a) Application form.--The department shall create and
14 publish a model application form, in electronic format, that an
15 applicant seeking to establish a cyber charter school shall, at
16 a minimum, complete as part of its application. The model
17 application form shall be transmitted to the Legislative
18 Reference Bureau for publication in the next available issue of
19 the Pennsylvania Bulletin and posted on the department's
20 publicly accessible Internet website. The model application form
21 shall include all of the following information:

22 (1) The identification of and contact information for
23 the applicant.

24 (2) The name of the proposed charter school entity which
25 must include the words "cyber charter school" in the name.

26 (3) The grade or age levels served by the cyber charter
27 school and the anticipated enrollment levels during each
28 school year of the proposed charter, including expected
29 increases due to the addition of grade levels.

30 (4) The proposed governance structure of the cyber

1 charter school, including a clear description of the method
2 for the appointment or selection of members of the board of
3 trustees, a copy of the articles of incorporation filed with
4 the Department of State, a copy of the by-laws, operating
5 agreement or equivalent document adopted by the applicant for
6 the general governance of the cyber charter school; and an
7 organization chart clearly presenting the proposed governance
8 structure of the cyber charter school, including lines of
9 authority and reporting between the board of trustees,
10 administrators, staff and any educational management service
11 provider that will provide services to the cyber charter
12 school.

13 (5) A clear description of the roles and
14 responsibilities of the board of trustees, administrators and
15 any other entities, including a charter school foundation and
16 any educational management service provider that will provide
17 educational management services to the cyber charter school,
18 shown in the organization chart.

19 (6) Standards for board of trustees' performance,
20 including compliance with applicable laws, regulations and
21 terms of the charter.

22 (7) If the cyber charter school intends to contract with
23 an educational management service provider for services, the
24 cyber charter school shall provide all of the following:

25 (i) Evidence of the educational management service
26 provider's record, including its record in the schools
27 where the provider provides or has provided services, in
28 servicing student populations, including demonstrated
29 academic achievement and growth and demonstrated
30 management of nonacademic school functions, including

1 proficiency with public school-based accounting, if
2 applicable.

3 (ii) Evidence that that the board of trustees has
4 reviewed each service to be provided and determined,
5 through competitive bidding or at least three (3) quotes
6 for professional services, that each service to be
7 provided by the educational management service provider
8 is provided at fair market value.

9 (iii) The complete proposed contract or agreement
10 between the cyber charter school and the educational
11 management service provider stating all of the following:

12 (A) The officers, chief administrator and
13 administrators of the educational management service
14 provider.

15 (B) The proposed duration of the service
16 contract or agreement. The service contract or
17 agreement shall provide for the following:

18 (I) An educational management service
19 provider may not terminate the contract or
20 agreement without providing at least six (6)
21 months' notice to the cyber charter school unless
22 expressly agreed to by the board of trustees of
23 the cyber charter school.

24 (II) An agreement or contract shall
25 terminate upon closure of the cyber charter
26 school unless the board of trustees of the cyber
27 charter school and the educational management
28 service provider agree in writing that the
29 educational service provider will provide
30 services related to the dissolution of the cyber

1 charter school.

2 (C) Roles and responsibilities of the board of
3 trustees, the cyber charter school staff and the
4 educational management service provider. The board of
5 trustees shall retain ultimate and actual authority
6 for the operation of the school, and the school shall
7 be independent of the educational management service
8 provider.

9 (D) The scope of services, personnel and
10 resources to be provided by the educational
11 management service provider, which shall meet the
12 following requirements:

13 (I) Each service provided by the educational
14 management service provider and the cost for the
15 service shall be separately identified and
16 invoiced or billed separately.

17 (II) Each service provided by the
18 educational management service provider shall be
19 severable so that the board of trustees of the
20 cyber charter school may terminate or make
21 revisions to one service without termination or
22 revision by the educational management service
23 provider of any other service, except by express
24 agreement of the board of trustees of the cyber
25 charter school.

26 (III) An educational management service
27 provider may not provide business services to the
28 cyber charter school if it is also providing
29 other services to the cyber charter school under
30 the contract or agreement unless the board of

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

7 (E) Performance evaluation measures and
8 timelines.

9 (F) The compensation structure, including clear
10 identification of fees to be paid to the educational
11 management service provider. The educational
12 management service provider shall not charge a
13 percentage or contingency fee for services.

14 (G) Methods of oversight and enforcement of the
15 contract or agreement.

16 (H) Investment disclosure or the advance of any
17 monies by the educational management service provider
18 on behalf of the cyber charter school with clear
19 repayment terms.

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

22 (iv) Disclosure and explanation of any existing or
23 potential conflicts of interest between the members of
24 the board of trustees of the cyber charter school or
25 members of the board of trustees or directors of the
26 charter school foundation and the proposed educational
27 management service provider or any affiliated entities,
28 including a charter school foundation qualified as a
29 support organization under the Internal Revenue Code of
30 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).

1 (v) A contract with an educational management
2 service provider may not be executed until the charter
3 agreement is signed pursuant to section 1745-A(f)(3).

4 (8) The mission and education goals of the cyber charter
5 school, the curriculum to be offered that complies with 22
6 Pa. Code Ch. 4 (relating to academic standards and
7 assessments) and the methods of assessing whether students
8 are meeting educational goals, including performance targets.

9 (9) The admission and enrollment policy, including
10 criteria for evaluating the admission of students which shall
11 comply with the requirements of section 1723-A.

12 (10) Policies and procedures which will be used
13 regarding the suspension or expulsion of pupils. Said
14 procedures shall comply with section 1318 and 22 Pa. Code Ch.
15 12 (relating to students and student services).

16 (11) Information on the manner in which community groups
17 will be involved in the cyber charter school planning
18 process.

19 (12) The financial plan for the cyber charter school,
20 including annual budgets for the first three years of
21 operation of the cyber charter school, and the provisions
22 which will be made for auditing the school under sections 437
23 and 1742.1-A, including the role of any charter school
24 foundation.

25 (13) A description of funds available to the cyber
26 charter school for planning and operation prior to receipt of
27 funds pursuant to section 1725.1-A.

28 (14) Procedures which shall be established to review
29 complaints of parents and guardians regarding the operation
30 of the cyber charter school.

1 (15) A description and address of any physical
2 facilities in which the cyber charter school will be located
3 or operating, including information related to each facility,
4 its size, location, amenities, ownership, availability for
5 lease or purchase, projected improvements and financing.

6 (16) Information on the proposed school calendar for the
7 cyber charter school, including the length of the school day
8 and school year consistent with the provisions of sections
9 1501 and 1502.

10 (17) The proposed faculty, if already determined, and a
11 professional development and continuing education plan for
12 the faculty and professional staff of the cyber charter
13 school.

14 (18) Whether any agreements have been entered into or
15 plans developed with the local school district regarding
16 participation of the cyber charter school's students in
17 extracurricular activities within the school district.

18 (19) A plan for satisfying the criminal history and
19 child abuse clearance requirements and employment history
20 reviews required by law.

21 (20) Documentation that the cyber charter school
22 possesses and maintains adequate and appropriate insurance,
23 bond or other security for the cyber charter school and the
24 cyber charter school's board of trustees and employees to
25 prevent a cyber charter school's outstanding liabilities and
26 obligations from being imposed upon school entities or the
27 Commonwealth, or otherwise affect the rights, benefits or
28 remedies available to the students, parents or employees of
29 the cyber charter school. The department shall promulgate
30 final-omitted regulations setting forth minimum security

1 requirements sufficient to guarantee payment of the cyber
2 charter school's liabilities in accordance with this article.

3 (21) Policies regarding truancy, absences and withdrawal
4 of students, including the manner in which the cyber charter
5 school will monitor and enforce attendance and will comply
6 with the truancy provisions under Article XIII.

7 (22) Whether or not the cyber charter school will seek
8 accreditation by a nationally recognized accreditation
9 agency, including the Middle States Association of Colleges
10 and Schools or another regional institutional accrediting
11 agency recognized by the United States Department of
12 Education or an equivalent federally recognized body for
13 charter school education.

14 [(3)] (23) An explanation of the amount of [on-line]
15 online time required for elementary and secondary students.

16 [(4)] (24) The manner in which teachers will deliver
17 instruction, assess academic progress and communicate with
18 students to provide assistance.

19 [(5)] (25) A specific explanation of any cooperative
20 learning opportunities, meetings with students, parents and
21 guardians, field trips or study sessions.

22 [(6)] (26) The technology, including types of hardware
23 and software, equipment and other materials which will be
24 provided by the cyber charter school to the student.

25 [(7)] (27) A description of how the cyber charter school
26 will define and monitor a student's school day, including the
27 delineation of [on-line] online time and [off-line time] for
28 independent coursework.

29 [(8)] (28) A description of commercially prepared
30 standardized achievement tests that will be used by the cyber

1 charter school in addition to the Pennsylvania System of
2 School Assessment test and Keystone Exams, including the
3 grade levels that will be tested and how the data collected
4 from the tests will be used to improve instruction.

5 [(9)] (29) The technical support that will be available
6 to students and parents or guardians.

7 [(10)] (30) The privacy and security measures to ensure
8 the confidentiality of data gathered online.

9 [(11) The level of anticipated enrollment during each
10 school year of the proposed charter, including expected
11 increases due to the addition of grade levels.]

12 [(12)] (31) The methods to be used to [insure] ensure the
13 authenticity of student work and adequate proctoring of
14 examinations.

15 [(13)] (32) The provision of education and related
16 services to students with disabilities, including evaluation
17 and the development and revision of individualized education
18 programs.

19 [(14) Policies regarding truancy, absences and
20 withdrawal of students, including the manner in which the
21 cyber charter school will monitor attendance consistent with
22 the provisions of section 1715-A(9).]

23 [(15)] (33) The types and frequency of communication
24 between the cyber charter school and the student and the
25 manner in which the cyber charter school will communicate
26 with parents and guardians.

27 [(16) The addresses of all facilities and offices of the
28 cyber charter school, the ownership thereof and any lease
29 arrangements.]

30 (34) Any other information required by the department.

1 (a.1) Lease prohibition.--A cyber charter school may not
2 enter into a lease for a facility with an educational management
3 service provider or charter school foundation.

4 (a.2) Extracurricular activity.--Notwithstanding any
5 provision to the contrary, a school district of residence may
6 not prohibit a student of a cyber charter school from
7 participating in any extracurricular activity of the school
8 district of residence if the student is able to fulfill the
9 requirements of participation in the activity and the charter
10 school does not provide the same extracurricular activity. The
11 school district of residence may charge the cyber charter school
12 a reasonable amount for a cyber charter school student's
13 participation in the school district's extracurricular activity,
14 which may not exceed the actual cost incurred by the school
15 district for participation by its students in the activity. A
16 cyber charter school student may not be required to pay any
17 costs not also paid by a student enrolled in the school district
18 for participation in the extracurricular activity.

19 (b) General form.--The department shall create and publish a
20 model renewal application form, in electronic format, that a
21 cyber charter school seeking renewal of its charter shall, at a
22 minimum, complete as part of its renewal application. The form
23 shall be submitted to the Legislative Reference Bureau for
24 publication in the next available issue of the Pennsylvania
25 Bulletin and posted on the department's publicly accessible
26 Internet website. The form shall include:

27 (1) Name and contact information for the chief
28 administrator and board of trustees president or chairperson.

29 (2) Whether the cyber charter school is seeking an
30 amendment to their current charter.

1 (3) Other information deemed necessary by the
2 department.

3 (c) Review.--The department shall review the model
4 application and renewal application forms at least every three
5 years with feedback and input from stakeholders and revise the
6 application forms as needed.

7 (d) Changes.--Nothing in this section shall prevent the
8 department from supplementing the established model application
9 or requiring additional information as permitted by this act
10 necessary to evaluate the application for renewal.

11 (e) Posting.--Pursuant to subsections (a) and (b), the
12 department shall post the model application and renewal
13 application on its publicly accessible Internet website no later
14 than October 1, 2024.

15 (f) Use.--The model applications developed under this
16 section shall be used by cyber charter school applicants and
17 cyber charter school operators beginning in the 2025-2026 school
18 year.

19 Section 1748-A. Enrollment and notification.

20 (a) Notice to school district.--

21 (1) Within [15] 10 days of the enrollment of a student
22 to a cyber charter school, the [parent or guardian and the]
23 cyber charter school shall notify the student's school
24 district of residence of the enrollment [through the use of
25 the notification form] under subsection (b).

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

29 (i) Within seven days of receipt of the notice under
30 paragraph (1), the school district shall notify the cyber

1 charter school and the department that the student is not
2 a resident of the school district. Notification of
3 nonresidence shall include the basis for the
4 determination.

5 (ii) Within seven days of notification under
6 subparagraph (i), the cyber charter school shall review
7 the notification of nonresidence, respond to the school
8 district and provide a copy of the response to the
9 department. If the cyber charter school agrees that a
10 student is not a resident of the school district, it
11 shall determine the proper district of residence of the
12 student before requesting funds from another school
13 district.

14 (iii) Within seven days of receipt of the response
15 under subparagraph (ii), the school district shall notify
16 the cyber charter school that it agrees with the cyber
17 charter school's determination or does not agree with the
18 cyber charter school's determination.

19 (iv) A school district that has notified the cyber
20 charter school that it does not agree with the cyber
21 charter school's determination under subparagraph (iii)
22 shall appeal to the department for a final determination.

23 (v) All decisions of the department regarding the
24 school district of residence of a student shall be
25 subject to review by the Commonwealth Court.

26 (vi) A school district shall continue to make
27 payments to a cyber charter school under section [1725-A]
28 1725.1-A during the time in which the school district of
29 residence of a student is in dispute.

30 (vii) If a final determination is made that a

1 student is not a resident of an appealing school
2 district, the cyber charter school shall return all funds
3 provided on behalf of that student to the school district
4 within 30 days and seek payment from the school district
5 of residence.

6 [(b) Notification form.--The department shall develop a
7 notification form for use under subsection (a). The notification
8 shall include:

9 (1) The name, home address and mailing address of the
10 student.

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

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

13 (4) The name and address of the cyber charter school and
14 the name and telephone number of a contact person able to
15 provide information regarding the cyber charter school.

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

18 (b) Notification.--The notification required under
19 subsection (a) shall include:

20 (1) The enrollment form filed with the cyber charter
21 school by the student or the parents or guardians.

22 (2) A certification that the cyber charter verified the
23 residency of the student.

24 (c) Withdrawal.--The cyber charter school [and the parent or
25 guardian of a student enrolled in a cyber charter school] shall
26 provide written notification to the student's school district of
27 residence and the department within [15] 10 days following the
28 withdrawal of a student from the cyber charter school.

29 (d) Nonrenewal or termination.--Upon notification of the
30 nonrenewal or termination of a charter under section 1745.3-A, a

1 cyber charter school may not enroll new students unless the
2 cyber charter school files an appeal to the appeal board under
3 section 1746-A. Upon a vote by a cyber charter school's board of
4 trustees to close the school, the cyber charter school may not
5 enroll new students and shall provide notice to the parents and
6 guardians of students enrolled of the decision, a timeframe for
7 the school's closure and information on enrolling in another
8 public school.

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

10 Section 1748.1-A. Enrollment parameters.

11 Enrollment of students in a cyber charter school shall not be
12 subject to a cap or enrollment parameter unless agreed to by the
13 cyber charter school as part of a written charter pursuant to
14 section 1745-A.

15 Section 1748.2-A. Enrollee wellness checks.

16 (a) Requirements.--A cyber charter school shall at least
17 once during any week consisting of at least three full or
18 partial days of academic instruction, ensure that each enrolled
19 student is able to be visibly seen and communicated with in real
20 time by a teacher, administrator or other representative of the
21 cyber charter school either in person or via electronic means in
22 order to ensure the well-being of the student and verify
23 participation in the educational program. The requirement under
24 this subsection may be satisfied by students turning on a webcam
25 during synchronous online instruction.

26 (b) Report.--If any indication of abuse, neglect or harm to
27 a child is observed, the cyber charter school administrator,
28 employee or representative shall report the concerns pursuant to
29 23 Pa.C.S. Ch. 63 (relating to child protective services).

30 (c) Disability evaluation.--Should any indication of a

1 disability be observed, the cyber charter school shall initiate
2 an evaluation consistent with Federal and State law to determine
3 whether the child is a child with a disability.

4 (d) Limitation.--The requirements of subsection (a) shall
5 not apply when the student is granted an excused absence from
6 school.

7 Section 13. Section 1749-A of the act is amended to read:
8 Section 1749-A. Applicability of other provisions of this act
9 and of other acts and regulations.

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

12 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
13 436, 443, 510, 518, 527, 708, 752, 753, 755, 771, 776, 777,
14 807.1, 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2,
15 1301, 1302, 1310, 1317.2, 1318, 1326, 1327, 1327.2, 1329,
16 1330, 1332, 1333, 1333.1, 1333.2, 1333.3, 1341, 1342, 1343,
17 1344, 1345, 1372(8), 1303-A, 1518, 1521, 1523, 1531, 1547,
18 1702-A, 1703-A, 1714-A, [1715-A, 1716-A,] 1716.1-A, [1719-A,]
19 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, [1725-A] 1725-A(a)
20 (5), (a) (6), (d) and (e), 1725.1-A, 1727-A, 1729-A, 1730-A,
21 1731-A(a) (1) and (b) [and], 2014-A and 2552 and Articles
22 XI(c.1), XII-A, XIII-A and XIV.

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

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

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

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

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

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

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

17 (1) Chapter 4 (relating to academic standards and
18 assessment).

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

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

21 (3.1) Chapter 16 (relating to special education for
22 gifted students).

23 (3.2) Chapter 19 (relating to educator effectiveness
24 rating tool).

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

26 (5) Section 121.3 (relating to discrimination
27 prohibited).

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

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

30 (7.1) Section 339.31 (relating to plan).

1 (7.2) Section 339.32 (relating to services).

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

4 [(c) Existing charter schools.--

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

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

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

16 (ii) Section 1744-A.

17 (iii) Section 1748-A.]

18 Section 14. Section 2502.53(a), (b) introductory paragraph,
19 (c) (1) (iv) introductory paragraph and (d) (1), (2), (4) and (6)
20 of the act are amended, subsection (c) (1) is amended by adding a
21 subparagraph, subsections (c) and (d) are amended by adding
22 paragraphs and the section is amended by adding a subsection to
23 read:

24 Section 2502.53. Student-Weighted Basic Education Funding.--

25 (a) The General Assembly finds and declares that the student-
26 weighted basic education funding formula is the result of the
27 work of the Basic Education Funding Commission established and
28 reconstituted pursuant to section 123.

29 (b) For the 2015-2016 school year [and each school year
30 thereafter] through the 2022-2023 school year, except the 2019-

1 2020 school year which shall be governed by subsection (b.1),
2 the Commonwealth shall pay to each school district a basic
3 education funding allocation which shall consist of the
4 following:

5 * * *

6 (b.2) For the 2023-2024 school year and each school year
7 thereafter, the Commonwealth shall pay to each school district a
8 basic education funding allocation which shall consist of the
9 following:

10 (1) An amount equal to the school district's basic education
11 funding allocation for the 2022-2023 school year.

12 (2) A student-based allocation to be calculated as follows:

13 (i) Multiply the school district's student-weighted average
14 daily membership by the median household income index and local
15 effort capacity index.

16 (ii) Multiply the product in subparagraph (i) by the
17 difference between the amount appropriated for the allocation of
18 basic education funding to school districts and the sum of the
19 following:

20 (A) The amount appropriated for the allocation in paragraph
21 (1).

22 (B) The adequacy supplement amount determined under section
23 2502.56(b).

24 (C) The tax equity supplement amount determined under
25 section 2502.56(c).

26 (iii) Divide the product in subparagraph (ii) by the sum of
27 the products in subparagraph (i) for all school districts.

28 (c) For the purpose of this section:

29 (1) Student-weighted average daily membership for a school
30 district shall be the sum of the following:

1 * * *

2 (iv) [The] For the 2015-2016 school year through the 2022-
3 2023 school year, the concentrated poverty average daily
4 membership for qualifying school districts with an acute poverty
5 percentage equal to or greater than thirty percent (30%), to be
6 calculated as follows:

7 * * *

8 (viii) For the 2023-2024 school year and each school year
9 thereafter, the concentrated poverty average daily membership
10 for a qualifying school district with concentrated poverty to be
11 calculated as follows:

12 (A) Multiply the school district's acute poverty percentage
13 by its average daily membership.

14 (B) Multiply the product in clause (A) by three-tenths
15 (0.3).

16 * * *

17 (6) If insufficient funds are appropriated to make the
18 Commonwealth payments required under this section, the
19 Department of Education shall make payments on a pro rata basis
20 in the following priority order:

21 (i) The payments under subsection (b.2)(1).

22 (ii) The payments under section 2502.56(b).

23 (iii) The payments under section 2502.56(c).

24 (d) For purposes of this section:

25 (1) ["Acute poverty percentage"] Through the 2022-2023
26 school year, "acute poverty percentage" shall mean the number of
27 children six (6) to seventeen (17) years of age living in a
28 household where the ratio of income to poverty is less than one
29 hundred percent (100%) of the Federal poverty guidelines divided
30 by the total number of children six (6) to seventeen (17) years

1 of age as determined by the most recent five-year estimate of
2 the United States Census Bureau's American Community Survey.
3 Beginning with the 2023-2024 school year, "acute poverty
4 percentage" shall mean the number of children six (6) to
5 seventeen (17) years of age living in a household where the
6 ratio of income to poverty is less than one hundred percent
7 (100%) of the Federal poverty guidelines divided by the total
8 number of children six (6) to seventeen (17) years of age as
9 determined by the average of the three most recent five-year
10 estimates of the United States Census Bureau's American
11 Community Survey.

12 * * *

13 (2) ["Households"] Through the 2022-2023 school year,
14 "households" shall mean the number of households in each school
15 district as determined by the most recent five-year estimate of
16 the United States Census Bureau's American Community Survey.
17 Beginning with the 2023-2024 school year, "households" shall
18 mean the number of households in each school district as
19 determined by the average of the three most recent five-year
20 estimates of the United States Census Bureau's American
21 Community Survey.

22 * * *

23 (4) ["Median household income"] Through the 2022-2023 school
24 year, "median household income" shall mean the median household
25 income for school districts and the State as determined by the
26 most recent five-year estimate of the United States Census
27 Bureau's American Community Survey. Beginning with the 2023-2024
28 school year, "median household income" shall mean the median
29 household income for school districts and the State as
30 determined by the average of the three most recent five-year

1 estimates of the United States Census Bureau's American
2 Community Survey.

3 * * *

4 (6) ["Poverty percentage"] Through the 2022-2023 school
5 year, "poverty percentage" shall mean the number of children six
6 (6) to seventeen (17) years of age living in a household where
7 the ratio of income to poverty is between one hundred percent
8 (100%) and one hundred eighty-four percent (184%) of the Federal
9 poverty guidelines divided by the total number of children six
10 (6) to seventeen (17) years of age as determined by the most
11 recent five-year estimate of the United States Census Bureau's
12 American Community Survey. Beginning with the 2023-2024 school
13 year, "poverty percentage" shall mean the number of children six
14 (6) to seventeen (17) years of age living in a household where
15 the ratio of income to poverty is between one hundred percent
16 (100%) and one hundred eighty-four percent (184%) of the Federal
17 poverty guidelines divided by the total number of children six
18 (6) to seventeen (17) years of age as determined by the average
19 of the three most recent five-year estimates of the United
20 States Census Bureau's American Community Survey.

21 (6.1) "Qualifying school district with concentrated poverty"
22 shall mean a school district where in any of the three most
23 recent five-year estimates of the United States Census Bureau's
24 American Community Survey the number of children six (6) to
25 seventeen (17) years of age living in a household where the
26 ratio of income to poverty is less than one hundred percent
27 (100%) of the Federal poverty guidelines divided by the total
28 number of children six (6) to seventeen (17) years of age is
29 greater than thirty percent (30%).

30 * * *

1 Section 15. The act is amended by adding sections to read:

2 Section 2502.56. Adequacy and Tax Equity Supplements.--(a)
3 The General Assembly finds and declares that the adequacy
4 supplement for basic education funding is necessary to fulfill
5 the duties and responsibilities established under sections 14
6 and 32 of Article III of the Constitution of Pennsylvania and is
7 the result of the work and findings of the Basic Education
8 Funding Commission reconstituted in accordance with section 123.

9 (b) For the 2023-2024 school year through the 2029-2030
10 school year, the Commonwealth shall pay an adequacy supplement
11 to each school district equal to the amount calculated under
12 subsection (d) divided by seven (7).

13 (c) For the 2023-2024 school year through the 2029-2030
14 school year, the Commonwealth shall pay a tax equity supplement
15 equal to the amount calculated under subsection (g) divided by
16 seven (7).

17 (d) The Department of Education shall calculate an adequacy
18 gap for each school district as follows:

19 (1) For each school district, multiply thirteen thousand
20 seven hundred four dollars (\$13,704) by the school district's
21 student-weighted average daily membership calculated under
22 subsection (h) (1).

23 (2) Subtract the school district's current expenditures from
24 the amount calculated for the school district under paragraph
25 (1).

26 (3) Determine the greater of zero dollars (\$0) or the
27 difference calculated under paragraph (2).

28 (4) Subtract the adequacy adjustment under subsection (f)
29 from the amount determined in paragraph (3).

30 (e) The Department of Education shall determine the

1 following:

2 (1) The local effort rate that represents the thirty-third
3 percentile local effort rate for all school districts.

4 (2) The local effort rate that represents the sixty-sixth
5 percentile local effort rate for all school districts.

6 (f) The Department of Education shall calculate an adequacy
7 adjustment for the purpose under subsection (d)(4) for each
8 school district as follows:

9 (1) For a school district that meets all of the following,
10 paragraph (2) shall apply:

11 (i) Has an amount greater than zero dollars (\$0) under
12 subsection (d)(2).

13 (ii) Has a local effort rate less than the amount determined
14 under subsection (e)(1).

15 (iii) Has a ten-year percentage change in average daily
16 membership less than ten percent (10%).

17 (2) Calculate the adequacy adjustment as follows:

18 (i) Multiply the amount determined in subsection (e)(1) by
19 the sum of the school district's market value and personal
20 income.

21 (ii) Subtract the school district's local tax-related
22 revenue from the school district's product in subparagraph (i).

23 (3) For a school district that meets all of the following,
24 paragraph (4) shall apply:

25 (i) Has an amount greater than zero dollars (\$0) under
26 subsection (d)(2).

27 (ii) Has a local effort rate less than the amount determined
28 under subsection (e)(2).

29 (iii) Has a ten-year percentage change in average daily
30 membership greater than or equal to ten percent (10%).

1 (iv) Has a local capacity per student under section
2 2502.53(c) (3) (iii) above the Statewide median of all school
3 districts under section 2502.53(c) (3) (iii).

4 (4) Calculate the adjustment as follows:

5 (i) Multiply the amount determined in subsection (e) (2) by
6 the sum of the school district's market value and personal
7 income.

8 (ii) Subtract the school district's local tax-related
9 revenue from the school district's product in subparagraph (i).

10 (5) For all other school districts that do not meet the
11 parameters of paragraph (1) or (3), the adjustment shall be zero
12 (0).

13 (g) The Department of Education shall calculate a tax equity
14 gap for each school district as follows:

15 (1) Multiply the amount determined in subsection (e) (2) by
16 the sum of the school district's market value and personal
17 income.

18 (2) Subtract the school district's product in paragraph (1)
19 from the school district's local tax-related revenue.

20 (3) Determine the greater of zero dollars (\$0) or the
21 difference calculated in paragraph (2) for each school district.

22 (4) Multiply the amount determined under paragraph (3) by a
23 local capacity per student factor calculated as follows for each
24 school district:

25 (i) Divide the school district's local capacity per student
26 determined under section 2502.53(c) (3) (iii) by the Statewide
27 median of all school districts under section 2502.53(c) (3) (iii).

28 (ii) Subtract one (1) from the quotient calculated under
29 paragraph (i).

30 (iii) Subtract the difference calculated under subparagraph

1 (ii) from one (1).

2 (iv) Determine the lesser of one (1) or the difference
3 calculated under subparagraph (iii).

4 (h) For the purposes of this section:

5 (1) Student-weighted average daily membership for a school
6 district shall be the sum of the following:

7 (i) The average of the school district's three most recent
8 years' average daily membership.

9 (ii) The acute poverty average daily membership calculated
10 as follows:

11 (A) Multiply the school district's economically
12 disadvantaged percentage by its average daily membership.

13 (B) Divide the acute poverty percentage by the sum of the
14 acute poverty percentage and the poverty percentage.

15 (C) Multiply the product in clause (A) by the quotient in
16 clause (B).

17 (D) Multiply the product in clause (C) by six-tenths (0.6).

18 (iii) The poverty average daily membership calculated as
19 follows:

20 (A) Multiply the school district's economically
21 disadvantaged percentage by its average daily membership.

22 (B) Divide the poverty percentage by the sum of the acute
23 poverty percentage and the poverty percentage.

24 (C) Multiply the product in clause (A) by the quotient in
25 clause (B).

26 (D) Multiply the product in clause (C) by three-tenths
27 (0.3).

28 (iv) The concentrated poverty average daily membership for
29 qualifying school districts with a product in subparagraph (ii)

30 (C) divided by its average daily membership equal to or greater

1 than thirty percent (30%), to be calculated by multiplying the
2 school district's product in subparagraph (ii) (c) by three-
3 tenths (0.3).

4 (v) The number of the school district's limited English-
5 proficient students multiplied by six-tenths (0.6).

6 (vi) The average daily membership for the school district's
7 students enrolled in charter schools and cyber charter schools
8 multiplied by two-tenths (0.2).

9 (vii) The sparsity/size adjustment for qualifying school
10 districts with a sparsity/size ratio greater than the
11 sparsity/size ratio that represents the seventieth percentile
12 sparsity/size ratio for all school districts calculated as
13 follows:

14 (A) Divide the school district's sparsity/size ratio by the
15 sparsity/size ratio that represents the seventieth percentile
16 for all school districts.

17 (B) Subtract one (1) from the quotient in clause (A).

18 (C) Multiply the sum of subparagraphs (i), (ii), (iii),
19 (iv), (v) and (vi) by the amount in clause (B).

20 (D) Multiply the product in clause (C) by seven-tenths
21 (0.7).

22 (viii) The weighted special education student headcount
23 calculated as the sum of the following:

24 (A) The most recent three-year average of the number of
25 special education students who reside in the school district for
26 which the annual expenditure is in Category 1 in accordance with
27 section 2509.5 multiplied by sixty-four hundredths (0.64).

28 (B) The most recent three-year average of the number of
29 special education students who reside in the school district for
30 which the annual expenditure is in Category 2 in accordance with

1 section 2509.5 multiplied by four and three hundredths (4.03).

2 (C) The most recent three-year average of the number of
3 special education students who reside in the school district for
4 which the annual expenditure is in Category 3 in accordance with
5 section 2509.5 multiplied by nine and thirty-seven hundredths
6 (9.37).

7 (2) The data used to calculate the factors under this
8 section shall be based on the most recent data that was
9 available as of June 1, 2023, allowing for corrections and
10 revisions as determined by the Department of Education.

11 (i) Payments made under this section shall be deemed to be
12 part of the school district's allocation amount under section
13 2502.53(b.2)(1) for the immediately subsequent school year and
14 each school year thereafter.

15 (j) For purposes of this section:

16 (1) "Acute poverty percentage" shall mean the number of
17 children six (6) to seventeen (17) years of age living in a
18 household where the ratio of income to poverty is less than one
19 hundred percent (100%) of the Federal poverty guidelines divided
20 by the total number of children six (6) to seventeen (17) years
21 of age as determined by the most recent five-year estimate of
22 the United States Census Bureau's American Community Survey.

23 (2) "Current expenditures" shall mean the General Fund
24 expenditures in functional classifications of instruction,
25 support services and operation of noninstructional services,
26 minus General Fund revenues for tuition from patrons.

27 (3) "Economically disadvantaged percentage" shall mean the
28 average share for 2017-2018 through 2021-2022 of economically
29 disadvantaged students as reported by a school district through
30 the Pennsylvania Information Management System (PIMS) and

1 determined based upon poverty data sources such eligibility for
2 Temporary Assistance for Needy Families, Medicaid or free or
3 reduced-price lunch, census data, residence in an institution
4 for the neglected or delinquent or residence in a foster home.

5 (4) "Households" shall mean the number of households in each
6 school district as determined by the most recent five-year
7 estimate of the United States Census Bureau's American Community
8 Survey.

9 (5) "Local effort rate" shall mean a school district's local
10 tax-related revenue divided by the sum of its market value and
11 personal income valuation.

12 (6) "Local tax-related revenue" shall mean the sum of school
13 district revenues for State property tax reduction allocation,
14 taxes levied and assessed, delinquencies on taxes levied and
15 assessed, revenue from local government units and other local
16 revenues not specified elsewhere, as designated in the Manual of
17 Accounting and Financial Reporting for Pennsylvania Public
18 Schools. Revenues received by a school district from the sales
19 and use tax and the cigarette tax shall be included when
20 determining a school district's local tax-related revenue under
21 this section.

22 (7) "Poverty percentage" shall mean the number of children
23 six (6) to seventeen (17) years of age living in a household
24 where the ratio of income to poverty is between one hundred
25 percent (100%) and one hundred eighty-four percent (184%) of the
26 Federal poverty guidelines divided by the total number of
27 children six (6) to seventeen (17) years of age as determined by
28 the most recent five-year estimate of the United States Census
29 Bureau's American Community Survey.

30 (8) "Size ratio" shall mean a number calculated as follows:

1 (i) Divide the average of a school district's three (3) most
2 recent years' average daily membership by the Statewide average
3 of the three (3) most recent years' average daily membership for
4 all school districts.

5 (ii) Multiply the amount in subparagraph (i) by five-tenths
6 (0.5).

7 (iii) Subtract the amount in subparagraph (ii) from one (1).

8 (9) "Sparsity ratio" shall mean a number calculated as
9 follows:

10 (i) Divide the average of a school district's three (3) most
11 recent years' average daily membership by its total square miles
12 as reported in the latest decennial census as reported by the
13 United States Census Bureau.

14 (ii) Divide the State total average daily membership by the
15 State total square miles.

16 (iii) Divide the quotient in subparagraph (i) by the
17 quotient in subparagraph (ii).

18 (iv) Multiply the quotient in subparagraph (iii) by five-
19 tenths (0.5).

20 (v) Subtract the product in subparagraph (iv) from one (1).

21 (10) "Sparsity/size ratio" shall mean a number calculated by
22 adding the following amounts:

23 (i) The sparsity ratio multiplied by four-tenths (0.4).

24 (ii) The size ratio multiplied by six-tenths (0.6).

25 Section 2502.57. Accountability to Commonwealth Taxpayers.--

26 (a) For money available to a school district under section
27 2502.56(b), the following shall apply:

28 (1) Except as provided under paragraph (2), a school
29 district shall spend the money received under section 2502.56(b)
30 on any of the allowable uses specified under section 2599.2(b)

1 and (b.3).

2 (2) A school district may spend the money received under
3 section 2502.56(b) on increased charter school tuition costs.

4 (3) At the end of a school year in which a school district
5 received money under section 2502.56(b), the school district
6 shall submit a report to the Department of Education in a form
7 and manner determined by the Department of Education summarizing
8 how the money received under section 2502.56(b) was used in
9 accordance with the allowable uses under section 2599.2(b) and
10 (b.3).

11 (4) The department shall annually summarize and post the
12 reports required under paragraph (3) on its publicly accessible
13 Internet website.

14 (b) For money available to a school district under section
15 2502.56(c), the following shall apply:

16 (1) Within thirty (30) days of the effective date of a State
17 law providing for the appropriation for basic education funding,
18 the Department of Education shall notify each school district of
19 the amount of money available to be received by the school
20 district under section 2502.56(c), the allowable uses of the
21 money and the process by which a school district may apply to
22 the Department of Education and receive the money.

23 (2) To be eligible to receive available money under section
24 2502.56(c), the local board of school directors shall adopt a
25 resolution in conjunction with actions taken in accordance with
26 the adoption and submission requirements under section 311(a)
27 and (d) of the act of June 27, 2006 (1st Sp.Sess., P.L.1873,
28 No.1), known as the "Taxpayer Relief Act," related to the
29 adoption of preliminary budgets that declares the school
30 district's intent to receive and use the available money under

1 section 2502.56(c) for a purpose specified under paragraph (3)
2 during the subsequent fiscal year for which the money has been
3 appropriated by the General Assembly.

4 (3) A local board of school directors that adopts a
5 resolution under paragraph (2) shall use any money received
6 under section 2502.56(c) for any of the following purposes:

7 (i) Mitigating or preventing an increase in the millage rate
8 of real estate property taxes levied by the school district.

9 (ii) Supplementing the amount calculated by the school
10 district for the homestead and farmstead exclusion under section
11 342 of the "Taxpayer Relief Act."

12 (iii) Establishing, maintaining or expanding a program
13 provided by the school district that supplements the rebates
14 provided under Chapter 13 of the "Taxpayer Relief Act."

15 (iv) Mitigating or replacing the loss of revenue received by
16 the school district resulting from a decision of a court of this
17 Commonwealth within the previous five (5) years relating to an
18 assessment appeal under Article V of the act of May 22, 1933
19 (P.L.853, No.155), known as "The General County Assessment Law."

20 (v) Reducing debt.

21 (4) The Department of Education shall post on its publicly
22 accessible Internet website information regarding the actions
23 taken by each local board of school directors under paragraph
24 (2) and use of the money available under section 2502.56(c) by
25 each local board of school directors as specified under
26 paragraph (3).

27 (5) Money received by a school entity under section
28 2502.56(c) may not be included when calculating the amount to be
29 paid to a charter school under section 1725-A.

30 Section 16. Section 2599.2(b), (c) (5) (iv) and (v) and (f) of

1 the act are amended and the section is amended by adding a
2 subsection to read:

3 Section 2599.2. Pennsylvania Accountability Grants.--* * *

4 (b) The grant shall be used by a school district to attain
5 or maintain academic performance targets. [Funds] In addition to
6 the programs and activities under subsection (b.3), funds
7 obtained under this section may be used [for any of the
8 following] to establish, maintain or expand any of the following
9 programs or activities that focus on high-quality academics:

10 (1) [Establishing, maintaining or expanding a] A quality
11 pre-kindergarten program aligned with the current academic
12 standards contained in 22 Pa. Code Ch. 4 (relating to academic
13 standards and assessment).

14 (2) [Establishing, maintaining or expanding a] A quality
15 full-day kindergarten program aligned with the current academic
16 standards contained in 22 Pa. Code Ch. 4. [Such programs shall
17 be kept open for five hours each day for the full school term as
18 provided in section 1501. The board of school directors of a
19 school district may offer a full-day kindergarten program to
20 children who are between four and six years old.]

21 (3) [Establishing, maintaining or expanding a] A class size
22 reduction program. Such class size reduction program shall
23 appoint and assign a minimum of one teacher for every 17
24 students or two teachers for every 35 students enrolled in a
25 kindergarten, first, second or third grade classroom. All
26 teachers appointed and assigned to teach kindergarten, first,
27 second or third grade shall be certified in accordance with 22
28 Pa. Code Ch. 49 (relating to certification of professional
29 personnel) or its successors. The department shall establish
30 guidelines to assure that no school district satisfies the

1 requirements of this paragraph by making a reduction in, and
2 subsequent increase to, current teacher complement. For purposes
3 of this paragraph, the phrase "one teacher for every 17 students
4 or two teachers for every 35 students enrolled in a
5 kindergarten, first, second or third grade classroom" shall
6 refer to the number of teachers conducting a class at any one
7 time in a classroom containing the applicable number of
8 students.

9 [(4) Establishing, expanding or maintaining programs that
10 promote the availability, coordination, integration and
11 utilization of social and health services, associated resources
12 and ancillary resources to meet the needs of children and
13 families in addressing issues that may serve to limit student
14 academic achievement.]

15 (5) Notwithstanding the provisions of Article XV-C,
16 providing tutoring assistance during the normal school day and
17 hours of the school district, provided that the tutoring is in
18 addition to and does not interfere with a student's regularly
19 scheduled classroom instruction times and does not supplant
20 services required in a student's individualized education
21 program.]

22 (6) [Improving] Programs that improve the academic
23 performance of subgroups identified under [section 1111(b) of
24 the No Child Left Behind Act of 2001] the Every Student Succeeds
25 Act (Public Law 114-95, 129 Stat. 1802).

26 (7) [Establishing, expanding or maintaining programs]
27 Programs to assist in the building of strong science,
28 technology, engineering and math and applied-knowledge skills.

29 (8) [Providing additional] Additional programs for
30 continuing professional education that may include any of the

1 following: training in mathematics, science and literacy-
2 specific curriculum and instructional strategies; training in
3 school-wide improvement planning; analysis of student
4 achievement data, including student work and the implications
5 for classroom practice; observing and studying exemplary school
6 and classroom practices; implementing school-wide programs and
7 classroom management strategies designed to improve student
8 conduct; using technology to boost student achievement;
9 conducting transition planning and curriculum alignment across
10 schools and grade levels; or implementing secondary strategies
11 to increase student engagement and personalize learning.

12 (8.1) Evidence-based reading instruction consistent with
13 structured literacy, including associated professional
14 development, universal reading screeners and curriculum
15 development and implementation.

16 (9) [Establishing, expanding or maintaining math] Math and
17 literacy [coaching] programs, including coaches, specialists or
18 other education support professionals, within schools to improve
19 math and reading instruction.

20 (10) [Providing financial] Financial incentives to [highly
21 qualified, tenured teachers] encourage professional staff
22 members to work in the most academically challenged schools in a
23 school district [or providing financial incentives], to aid in
24 the recruitment of certificated teachers [in mathematics,
25 science, language arts or English as a second language] to work
26 in the most academically challenged schools in a school
27 district[.] or to increase participation in education-related
28 jobs, including outreach efforts to communities that have low
29 participation in the educator workforce.

30 [(10.1) Establishing, expanding or maintaining a career

1 awareness program.]

2 (10.2) [Purchasing materials or extending] Materials or
3 extended service hours for school libraries or hiring certified
4 school librarians.

5 (10.3) Work-based or experiential learning and career
6 readiness programs, including pre-apprenticeships, internships,
7 postsecondary credits, industry-recognized credentials, other
8 pathways to graduation and college and career pathways.

9 [(11) Providing such other programs or activities that the
10 board of school directors of a school district determines are
11 essential to achieving or maintaining academic performance
12 targets through the year 2014.]

13 (12) [Establishing, expanding or maintaining programs]
14 Programs for instruction on world languages [in the elementary
15 grades], either in immersion classrooms or as separate periods
16 of instruction.

17 (13) [Establishing, expanding or maintaining programs]
18 Programs to strengthen high school curricula by creating
19 rigorous college and career preparatory programs, increasing
20 academic achievement, offering additional advanced placement
21 courses, including advanced placement and International
22 Baccalaureate dual credit courses, providing school-based
23 counseling and providing professional development.

24 (14) [Establishing, expanding or maintaining programs]
25 Programs to provide intensive teacher training, high-quality
26 professional development opportunities and teaching resources to
27 [elementary level science teachers] educators.

28 (15) Career and technical education programs aligned to
29 industry credentials and occupations that earn a family-
30 sustaining wage, including programs that lead to careers in

1 education.

2 (16) (Reserved).

3 * * *

4 (b.3) In addition to the programs or activities under
5 subsection (b), funds obtained under this section may be used to
6 establish, maintain or expand any of the following programs or
7 activities:

8 (1) Programs or activities that foster supportive learning
9 environments, including any of the following:

10 (i) Programs or activities that promote the availability,
11 coordination, integration and utilization of social and health
12 services, associated resources and ancillary resources to meet
13 the needs of children and families in addressing issues that may
14 serve to limit student academic achievement, including school
15 attendance and engagement.

16 (ii) Programs or activities that serve students experiencing
17 educational instability in accordance with section 1331.1.

18 (iii) Programs or activities that provide targeted support
19 for English learners, including language instruction programs,
20 curriculum resources, translation and interpretation services
21 and any other activities to support English learners.

22 (iv) Programs or activities that increase inclusion for
23 students with disabilities to be educated alongside their
24 nondisabled peers in accordance with 20 U.S.C. Ch. 33 (relating
25 to education of individuals with disabilities), 29 U.S.C. § 794
26 (relating to nondiscrimination under Federal grants and
27 programs) and 22 Pa. Code Chs. 14 (relating to special education
28 services and programs) and 15 (relating to protected handicapped
29 students).

30 (v) Student services infrastructure as identified in 22 Pa.

1 Code Ch. 12 (relating to students and student services),
2 including adequate staffing and programs facilitated by
3 certified student services professionals.

4 (2) Programs or activities that establish healthy
5 educational system conditions, including any of the following:

6 (i) Data analysis and use to inform and improve
7 instructional practice.

8 (ii) Assessment literacy through the use of coaches, data
9 teams, local assessment plans, curriculum review cycles or other
10 strategy.

11 (iii) An evidence-based strategy or program proven to
12 improve educational outcomes for students.

13 (iv) Establishment of a minimum hourly wage of at least
14 twenty dollars (\$20) per hour for education support
15 professionals as part of an employment contract or agreement.

16 (v) Establishment of a minimum salary of sixty thousand
17 dollars (\$60,000) for professional staff members as part of an
18 employment contract or agreement.

19 (3) Programs or activities that design a system of
20 multitiered supports, including any of the following:

21 (i) Developing a multitiered system of supports to identify
22 and assist students with academic or behavioral needs.

23 (ii) Notwithstanding the provisions of Article XV-C,
24 providing tutoring assistance during the normal school day and
25 hours of the school district if the tutoring is in addition to
26 and does not interfere with a student's regularly scheduled
27 classroom instruction times and does not supplant services
28 required in a student's individualized education program.

29 (iii) After-school and remediation programs.

30 (iv) Summer learning programs.

1 (v) Credit recovery programs.

2 (c) * * *

3 (5) No later than February 1, 2005, and February 1 of each
4 year thereafter, the department shall submit a report to the
5 majority and minority chairs of the Appropriations and Education
6 Committees of the Senate and to the majority and minority chairs
7 of the Appropriations and Education Committees of the House of
8 Representatives summarizing the operation of the program for
9 that fiscal year. The report shall include:

10 * * *

11 (iv) An identification of the number of school districts
12 that used grant funds for each of the programs or activities
13 under [subsection (b)] subsections (b) and (b.3).

14 (v) A listing of each school district and the program or
15 activity under [subsection (b)] subsections (b) and (b.3) for
16 which the grant funds were used.

17 * * *

18 (f) As used in this section, the following words and phrases
19 shall have the meanings given to them in this subsection:

20 "Agreement." A contract or agreement between a public
21 employer and a public employe or employe organization in
22 accordance with the act of July 23, 1970 (P.L.563, No.195),
23 known as the "Public Employe Relations Act."

24 "Applied knowledge." Information technology, computer
25 equipment, education software and related advanced technologies
26 necessary to increase students' access to worldwide information
27 and their expertise in this regard.

28 "Career awareness program." An educational program that
29 introduces students to a variety of career and technical options
30 and includes such activities as job shadowing, field trips and

1 tours, career days or the administration of career assessment
2 tests and inventories.

3 "Career days." Special events that allow students to meet
4 with employers, career development specialists, community-based
5 organization representatives and postsecondary educators and are
6 designed to encourage students to gain information about careers
7 and job opportunities.

8 "Department." The Department of Education of the
9 Commonwealth.

10 "Education support professional." A person who is employed
11 by a school entity or works for a contractor within a school
12 entity who is not a professional staff member.

13 "Employment contract." A contract for services between a
14 public school entity and one or more professional staff members
15 who are not members of a bargaining unit represented by an
16 employe organization.

17 "Grant." A Pennsylvania accountability grant awarded under
18 this section.

19 "Highly qualified." A highly qualified elementary teacher or
20 a highly qualified middle or secondary teacher as defined in 22
21 Pa. Code § 403.2 (relating to definitions).

22 "Job shadowing." As part of career exploration activities in
23 late middle and early high school, activity of a student
24 following an employe for one or more days to learn about a
25 particular occupation or industry, which activity is intended to
26 help students explore a range of career objectives and possibly
27 to select a career pathway.

28 "Professional staff member." A full-time:
29 (1) professional employe as defined in section 1101;
30 (2) temporary professional employe as defined in section

1 1101; or

2 (3) substitute as defined in section 1101.

3 "Public school entity." A school district.

4 "Science." A curricular offering in support of the science
5 and technology content area as defined in 22 Pa. Code § 4.12
6 (relating to academic standards).

7 Section 17. This act shall take effect immediately.