

# **Senate Education Committee**

# Senator Jeffrey E. Piccola Chairman

**Dave Transue** *Executive Director*dtransue@pasen.gov

Matt Azeles
Deputy Executive Director
mazeles@pasen.gov

Karen Seivard Committee Counsel kseivard@pasen.gov

Room 173 Capitol Building, Senate Box 203015, Harrisburg, Pennsylvania 17120-3015 • 717-787-6801 • 717-783-3722

## BILL SUMMARY Senate Bill 904, Printer's No. 919 Prime Sponsor: Piccola

#### A. SYNOPSIS:

Senate Bill 904 repeals Article XXVII-A (Charter Schools) in the Public School Code of 1949 and creates a new article pertaining to charter schools and cyber charter schools that does the following:

- Creates an independent administrative commission, separate from the PA Department of Education, which shall provide oversight of charter schools and cyber charter schools.
- Creates a statewide advisory committee to explore charter school and cyber charter school funding issues and make recommendations to the General Assembly and the Governor.
- Allows a local board of school directors, the commission, and an institution of higher education
  whose governing body elects by majority vote to become an authorizer to be eligible to
  authorize a charter school. The commission shall be the only authorizer of cyber charter
  schools.
- Standardizes the charter school and cyber charter school application and renewal process.
- Standardizes reporting requirements and requires better disclosure of information from charter schools, cyber charter schools, and their non-profit charter school foundations.
- Requires annual independent audits of charter schools and cyber charter schools and public disclosure.
- Specifies that the Ethics Act applies to all charter school and cyber charter school board trustees and employees; prohibits conflicts of interest; and requires annual ethics filings.
- Repeals the current State Charter School Appeal Board, and allows for the commission to serve in an appeal board capacity for certain charters.

### B. BILL ANALYSIS:

The following is a section by section breakdown of the bill:

- 1. **Section 1602-B** (**Concurrent Enrollment**) is amended to include charter schools and cyber charter schools in the definition of a 'concurrent student' and 'school entity,' thereby allowing charter school and cyber charter school students to participate in a dual enrollment program with an institution of higher education. Charter schools and cyber charter schools shall also be allowed to enter into a concurrent enrollment agreement with an institution of higher education.
- 2. **Section 1701-C** (**Short Title**) cites the bill as the "Charter School and Cyber Charter School Law."
- 3. **Section 1702-C** (**Legislative Intent**) outlines the intent of the General Assembly. This language is taken verbatim from Section 1702-A of the original charter school law.
- 4. **Section 1703-C (Definitions)** expands and clarifies the definitions contained in Section 1703-A of the original charter school law.
- Section 1704-C (State Commission on Charter Schools and Cyber Charter Schools) is a new section creating an independent administrative commission responsible for the oversight of charter schools and cyber charter schools.

The seven-member commission mirrors the current State Charter School Appeal Board make-up, with appointments made in the following manner:

- a. Three members to be appointed by the Governor with majority approval by the Senate. These members shall serve four-year staggered terms, and include a member of the State Board of Education; a faculty member or administrative employees of an institution of higher education; and a school board member.
- b. Four members shall serve four year terms, to be appointed in the following manner:
  - i. The majority leader of the Senate shall appoint an administrator or board of trustee member of a charter school or cyber charter school.
  - ii. The minority leader of the Senate shall appoint a certificated teacher actively employed in a public school, including a charter school or cyber charter school.
  - iii. The majority leader of the House shall appoint a member of the business community.
  - iv. The minority leader of the House shall appoint a parent of a school-aged child currently enrolled in a charter or cyber charter school, who shall only be eligible to serve so long as their child is attending the charter school or cyber charter school.

The commission shall select an executive director, who will take over the duties and responsibilities the Secretary of Education played in the original charter school law.

The commission shall have the following powers and duties:

- a. Implement the act and develop regulations.
- b. Authorize charter schools and cyber charter schools.
- c. Disseminate best practices and collaborate on training, and provide technical support to charter schools and cyber charter schools.

- d. Develop standardized forms for the application and renewal process and annual reports.
- e. Make referrals to law enforcement in the event the commission discovers or receives information about a violation of law.
- f. Serve as an Appeal Board in the event a dispute arises between a charter school and their local board of school directors or governing board of institution of higher education.
- 6. **Section 1705-C** (**Establishment of a State Charter School and Cyber Charter School Assessment Fund**) is a new section establishing an assessment fee to be imposed on each charter school and cyber charter school to fund the commission. Fees will be deposited into a separate fund established within the State Treasury. Fees are set on a sliding scale based on school size:

1 to 399 students	\$2,500
400 to 999 students	\$5,000
1,000 to 4,999 students	\$10,000
Over 5,000 students	\$15,000.

The commission shall file a proposed budget annually with the House and Senate Education and Appropriations Committees. If the revenues generated by these fees are not sufficient to meet the needs of the commission, the commission may set additional fees provided they follow the IRRC process.

- 7. Section 1706-C (Charter School and Cyber Charter School Funding Advisory Committee) is a new section directing the Department of Education to immediately convene a statewide advisory committee upon passage of the bill to examine the financing of charter schools and cyber charter schools. The committee shall consist of fifteen members who shall have the ability to evaluate and make recommendations on funding formulas for charter schools and cyber charter schools, student residency, transportation, special education, and consideration of charter schools as Local Education Agencies (LEAs). The committee shall issue its findings in a report to the General Assembly and the Governor no later than November 30, 2012.
- 8. **Section 1714-C** (**Powers**) is substantively similar to Section 1714-A of the original charter school law. This section outlines the powers of charter schools and cyber charter schools.
- 9. **Section 1715-C** (**Requirements**) outlines those provisions with which charter schools and cyber charter schools must comply. This section is the same as clauses (1) through (9) of Section 1715-A of the original charter school law, with the following additions:
  - a. Clause (5) clarifies that a charter school or cyber charter school is prohibited from providing any religious instruction or displaying religious objects with the intention of advancing or endorsing religion. Charter schools occasionally utilize sectarian facilities (e.g., former Catholic schools) which have religious items incorporated into the design of the school. The section allows for a charter school or cyber charter school to utilize a sectarian facility provided that the religious objects and symbols remaining in the used portion of the school are covered or removed to the extent reasonably feasible.
  - b. Clause (8) adds a provision that a charter school or cyber charter school shall be treated in the same manner as a school district for the purposes of measuring the charter school or cyber charter school's adequate yearly progress under No Child Left Behind Act (NCLB).

10. **Section 1716-C** (**Board of Trustees**) expands Section 1716-A of the original charter law. The board of trustees shall have the authority to decide matters related to the operation of the school.

All members of the board of trustees of a charter school or cyber charter school shall be public officials and subject to the provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure), which includes annual reporting. All board members shall take the oath of office as required by section 321 of the Public School Code.

No member of a local board of school directors shall serve on the board of trustees of a charter school that is located in the member's district.

For all charter schools and cyber charter schools chartered after the effective date of the act, an individual is prohibited from serving as a voting member of the board of trustees if the individual or an immediate family member receives compensation from or is a board member of an authorizer who authorized that particular charter. An employee of an authorizer which authorized a charter may serve as a member of the board of trustees without voting privileges.

No member of the board of trustees shall participate in the selection, award or administration of any contract if the member has a conflict of interest as that term is defined in the Ethics Act. Members shall abstain from voting in the event a conflict arises. Violations of this section constitute a violation of 65 Pa.C.S. §1103(a) and are subject to penalties by the Ethics Commission.

A member of the board of trustees shall be automatically disqualified and immediately removed from the board upon conviction for an offense graded as a felony, an infamous crime, of offenses pertaining to fraud, theft or mismanagement of public funds, any offense pertaining to his official capacity as a board member or any crime involving moral turpitude.

Boards of trustees shall have a minimum of five non-related voting members. Any charter school or cyber charter school that has less than five members as of the effective date of this act shall have one year to appoint additional members. Within one year of the effective date of the act, at least one member of the board shall be a parent of a child currently attending that school.

A majority of board members shall constitute a quorum, and a recorded majority vote shall be required on all actions. All meetings shall be subject to 65 Pa.C.S. Chs. 7 (relating to open meetings).

In the event a member of the board refuses or neglects to perform any duty imposed upon it under the act, twenty-five (25) individuals who are parents or guardians of students may present a petition to the court of common pleas in the county in which the charter school building is located or, in the case of the cyber charter school, to the Commonwealth Court. This petition process is substantively similar to Section 318 (relating to removal for failure to organize or neglect of duty) of the Public School Code, which allows taxpayers to petition to remove local school board directors who fail to perform their duties.

11. **Section 1717-C** (**Administrators**) is a new section combining all of the references to administrators and chief administrators under the original charter law into a single section.

All administrators of a charter school or cyber charter school shall be public employees and subject to the provisions of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure), which includes annual reporting.

Chief administrators shall exercise the duties designated by the board of trustees, including: approve any bill or account for payment of money; comply with the reporting requirements of the act; serve as a custodian for charter school records, commissions and property; to receive and deposit funds; to perform other duties pertaining to the business of the charter school.

An administrator shall not receive compensation from another charter school, cyber charter school or an educational management service provider unless he or she submits to each charter school board of trustees a sworn statement that details the work to be conducted for the other entity and compensation; the boards shall grant permission by resolution; and a copy of the statement and resolution shall be kept on file with the school and the commission.

No administrator or immediate family member is permitted to serve as a voting member of the board of trustees of their charter school.

No administrator shall participate in the selection, award or administration of any contract if the member has a conflict of interest as that term is defined in the Ethics Act. Violations of this section constitute a violation of 65 Pa.C.S. §1103(a) and are subject to penalties by the Ethics Commission.

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

12. **Section 1718-C** (**Establishment**) merges and expands upon Section 1717-A and Section 1745-A of the original charter school law.

As is the case in current law, a charter school or cyber charter school may be established by an individual; one or more teachers who will teach at the proposed school; parents or guardians of students who will enroll at the school; a nonsectarian college, university or museum located in this Commonwealth; a nonsectarian corporation not-for-profit, as defined in 15 Pa.C.S. (relating to corporations and unincorporated associations); a corporation, association or partnership; or any combination thereof.

Section 1718-C makes it easier than the current law for a charter school to be established by converting an existing public school or a portion of an existing public school. Under the provisions of this bill, a local board of school directors which desires to convert an existing building may designate and approve the building it seeks to convert. The board then may accept applications by an individual or entity that is authorized to establish a charter school to operate the converted charter school.

Section 1718-C allows a local board of school directors or an intermediate unit to establish a cyber charter school so long as they follow the procedures of the act. Nothing in the act precludes a school district from offering instruction via the Internet or other electronic means, but such instruction shall not be recognized as a cyber charter school under the provisions of the act.

The commission, a local board of school directors, and the governing board of an institution of higher education (i.e., nonsectarian private college or university, a college or university in the State System of Higher Education, or a community college) which elects by affirmative vote of a majority of all members to become an authorizer are legal authorizers of a charter school. The commission shall be the authorizer of a cyber charter school.

An application to establish a charter school or cyber charter school shall be submitted to the appropriate authorizer by October 1 of the school year preceding the year in which the charter school or cyber charter school wishes to commence operation. Authorizers must hold a public hearing on the application within 45 days upon receipt of the application. This section outlines criteria authorizers are to use when evaluating an application. Not later than 75 days after the hearing, the authorizer renders a decision to grant or deny the application. In the event an authorizer denies the application, the applicant may apply again after revising their application and follow the same procedures as above. If the application is denied again, the applicant may appeal to Commonwealth Court.

- 13. **Section 1719-C** (**Regional Charter School**) is substantively the same as Section 1718-A of the original charter law. This section allows for a charter school to be authorized by multiple local boards of school directors.
- 14. **Section 1720-C** (**Hearings**) is a new section requiring that all hearings conducted by authorizers shall be held in accordance with the hearing procedures outlined in 2 Pa.C.S. Ch. 5. (Practice and procedure).
- 15. **Section 1721-C** (**Contents of Application**) holds that the commission shall develop and issue a standard application form that shall be used by all applicants to establish a charter school. The application contents are substantively similar to those included in 1719-A of the original charter law, with the following additions:
  - a. An organization chart clearly presenting the proposed governance structure of the charter school.
  - b. A clear description of the roles and responsibilities for the board of trustees, administrators and any other entities, including a charter school foundation, shown in the organization chart.
  - c. A clear description and method for the appointment or election of members of the board of trustees.
  - d. Standards for board performance, including compliance with all applicable laws, regulations and terms of the charter.
  - e. If the charter school intends to contract with an educational management service provider for services, the applicant shall:
    - i. Provide evidence of the education management service provider's record in serving student populations.
    - ii. Provide a term sheet setting forth all of the following:
      - 1. The proposed duration of the service contract.
      - 2. Roles and responsibilities of the governing board, the school staff and the educational management service provider.
      - 3. The scope of services and resources to be provided by the educational management service provider.
      - 4. Performance evaluation measures and timelines.
      - 5. The compensation structure, including clear identification of all fees to be paid to the educational management service provider.
      - 6. Methods of contract oversight and enforcement.
      - 7. Investment disclosure or the advance of moneys by the educational management service provider on behalf of the charter school or cyber charter school.
      - 8. Conditions for renewal and termination of the contract.

- iii. Disclose and explain any existing or potential conflicts of interest between the members of the board of trustees and the proposed educational management service provider or any affiliated business entities, including a charter school foundation qualified as a support organization under the United States Internal Revenue Code.
- f. Policies regarding truancy, absences and withdrawal of students, including the manner in which the charter school will monitor attendance. A charter school may elect to directly enforce the compulsory attendance laws in accordance with this act and shall notify the school district of residence of this action by certified mail.

In addition to the provisions in the standard charter school application, Section 1721-C also requires the commission to develop a standard application form for cyber charter school applicants. The provisions of that application are the same as they are in Section 1747-A of the original charter school law.

An authorizer may not impose additional terms or require additional information outside the standard application form established by the commission.

16. **Section 1722-C** (**Term and Form of Charter; Amendments**) expands upon 1720-A of the original charter law. Once an application is approved, a written charter shall be developed which shall contain the provisions of the application. The initial charter period shall be for 5 years (current law is 3 years), and shall be renewed for 10 year periods (current law is 5 year renewals).

Under the provisions of this bill, a charter school or cyber charter school shall have the ability to request amendments to its approved written charter by filing a written document describing the requested amendment to the authorizer. Within 45 days of receipt of the amendment, the authorizer shall hold a public hearing on the amendment. Within 45 days of the hearing, the authorizer must grant or deny the requested amendment. If an authorizer fails to follow this procedure or if the authorizer denies an amendment, the applicant is allowed to appeal to the commission or appropriate court as provided for in Section 1724-C.

17. **Section 1723-C** (**Renewal; Causes for Nonrenewal or Termination**) expands upon 1729-A of the original charter law. A charter school or cyber charter school seeking renewal shall send an intent to renew letter to their authorizer no later than October 1 of the final school year of the charter school's current charter. The authorizer shall conduct a comprehensive review of the annual reports and assessments required under section 1731-C, and, if appropriate, renew the charter. If an authorizer fails to formally renew a charter upon the expiration of initial or renewed charter, the charter shall be deemed to be renewed.

During the term of the charter or at the end of the term of the charter, the authorizer may choose to revoke or not to renew the charter based on any of the following:

- (i) One or more material violations of any of the conditions, standards or procedures contained in the written charter.
- (ii) Failure to meet the requirements for student performance or failure to meet any performance standard set forth in the written charter.
- (iii) Failure to meet generally accepted standards of fiscal management or audit requirements.
- (iv) Failure to maintain the financial ability to continue as a going concern according to generally accepted accounting principles.
- (v) Violation of provisions of this article.
- (vi) Violation of any provision of law from which the charter school or cyber charter school

has not been exempted, including Federal laws and regulations governing children with disabilities.

In cases where the health or safety of the school's pupils, staff or both is at serious risk, the authorizer may take immediate action to revoke a charter.

When a charter school is in corrective action status as designated by NCLB, if the authorizer renews the charter, it shall collaborate with the charter school on specific conditions in the charter that require the charter school to meet specific student performance targets within stated periods of time.

As a condition of renewal, an authorizer shall have the authority to require the charter school or cyber charter school to replace a board member or administrator if they prove by a preponderance of the evidence that that individual has violated this act.

Any notice of revocation or nonrenewal shall state the grounds for such action, and the authorizer shall conduct a hearing regarding the revocation or nonrenewal. Formal action on this decision will take place at a public meeting.

When a charter is revoked, the charter school or cyber charter school shall be dissolved, and a student who attended the school shall apply to another public school in the student's district of residence.

18. **Section 1725-C** (**Facilities**) expands upon Section 1722-A of the original charter law.

This section will place a new duty on all school districts to submit an annual report of their unused facilities that may be suitable for the operation of a charter school or cyber charter school to the Department of Education. The department will work with the Department of General Services to compile the list, which will include a description of the property, and will publish it annually on their website.

Each district shall be required to make any unused facility available to charter schools or cyber charter schools operating within the district. The terms of the use of the facility shall be outlined in an agreement between both the district and the school.

Per Act 104 of 2010, all school property owned by a charter school, cyber charter school or an associated non-profit foundation shall be exempt from state, county, city, borough, township or other real estate taxes.

The consumption, purchase or sale of alcoholic beverages in a charter school or cyber charter school facility shall be prohibited. The Secretary of the Department of Education may fine the school for a violation of this prohibition.

Boards of trustees and contractors of charter schools and cyber charter schools shall be subject to various statutory requirements governing construction projects and construction-related work.

19. **Section 1726-C** (**Enrollment and Notification**) merges the enrollment requirements of Section 1723-A and Section 1748-A of the original charter law into a single section.

Enrollment of students in a charter school or cyber charter school shall not be subject to a cap or otherwise limited by any past or future action of an authorizer. This provision shall apply to all existing and future charter schools and cyber charter schools.

If more students apply to a charter school or cyber charter school than the number of attendance slots available, students must be selected on a random basis from a pool of qualified applicants meeting the established eligibility criteria. Preference can be given to a child of a parent who is actively participating in the development of the school and to siblings of students presently enrolled in the school. For charter schools, first preference is given to students who reside in the district where the school has its facilities. If classroom space permits, the charter may enroll non-resident students.

Charter schools and cyber charter schools are prohibited from discrimination in its admission policies or practices on the basis of intellectual ability, although they may limit admission to a certain grade level, targeted population group of at-risk students or areas of concentration. They may not set admission standards on athletic ability, measures of achievement or aptitude, status as a person with a disability, proficiency in the English language or any other basis that would be illegal if used by a school district.

Within 10 days of enrolling a student in a charter school or cyber charter school, the parent or guardian and the school shall notify the student's school district of residence and intermediate unit via a notification form of their enrollment. If the district determines that the student is not a resident of their district, this section outlines the procedure the district and the charter school must follow to make a final determination as to the residence of the child.

Within 10 days of the receipt of the notification form, the district shall turn over all relevant student records to the charter school or cyber charter school. If the district fails to turn over these records within 30 days, the Secretary of the Department of Education may render a decision to withhold payment to the district until they are in compliance with this section.

In the event a student withdraws from a charter school or cyber charter school, the parent or guardian and the school shall provide written notification to the school district of residence within 10 days following the withdrawal.

- 20. **Section 1727-C** (**School Staff**) is Section 1724-A of the original charter school law. The only revision made was that every employee of a charter school shall be provided *similar* health care benefits as the employee would be provided if he or she were an employee of the local district. Current law provides for *same* benefits.
- 21. **Section 1728-C (Funding)** merges and expands upon Section 1725-A and 1743-A of the original charter school law. Rather than channel state funding of a charter school or cyber charter school through the local school district, this section has been rewritten to allow for direct state funding of charter schools and cyber charter schools for both non-special education and special education students. Payments shall be made directly to the charter school or cyber charter school in twelve monthly payments within the operating school year. Should there be an issue with the transfer of funding or a dispute between a charter school and cyber charter school and their local school district (e.g., inaccurate enrollment, etc.), this section provides for a procedural process for all parties to follow to resolve the issue.
- 22. **Section 1729-C** (**Transportation**) expands upon Section 1726-A of the original charter school law. This section maintains the key provisions of Section 1726-A, but adds the following:
  - a. If a district does not provide transportation to a charter school or cyber charter school student because the student lives outside the district boundaries by more than 10 miles, the district shall not be entitled to subtract its student transportation services expenses

- from the per pupil subsidy paid by the district to the charter school or cyber charter school for that student.
- b. The school district of residence shall be responsible for providing free transportation of a student who is eligible under IDEA or is a protected handicapped student under section 504 who is enrolled in a charter school or cyber charter school. This language mirrors current responsibility of school districts to provide this type of transportation for students who attend non-public schools.
- c. In the event the Secretary of Education determines that a school district is not providing the required transportation to students enrolled in a charter school, the Department shall pay directly to the charter.
- 23. **Section 1730-C** (**Tort Liability**) is the same as Section 1727-A of the original charter law. The board of trustees of a charter school or cyber charter school and the school itself shall be solely liable for any and all damages arising from a legal challenge involving the operation of the school.
- 24. **Section 1731-C** (**Annual Reports and Assessments**) merges and expands upon the annual reporting and assessment process as outlined in Section 1728-A and 1742-A of the original charter school law.

The commission shall develop a standard form for charter schools and cyber charter schools to use for their annual report, which shall be due no later than September 1 of each year. Authorizers are required within 10 days of the receipt of the report to notify the charter school or cyber charter school that they are in receipt of the report. The authorizer has 30 days to review the report and notify the charter school of the same.

At the end of each fiscal year, every charter school and cyber charter school shall be required to form an independent audit committee of its board member to review a complete certified audit of their financial records. The commission shall provide a list of certified public accountants that are approved to provide this audit. The audit shall be conducted under generally accepted audit standards and be subject to a complete review and numerous tests. The audit shall be a public document and shall be made available on the commission's website and the charter school or cyber charter school's website.

Charter schools and cyber charter schools may be subject to an annual audit by the commission or the Auditor General, in addition to any other audits required by federal law or the act.

Charter schools and cyber charter schools shall be required to annually provide a copy of their annual budget for the operation of their school that identifies the source of funding for all expenditures; the funds provided by a charter school foundation and their use; and the salaries of all administrators.

Charter schools, cyber charter schools and any affiliated charter school foundations shall also make a copy of its budget and IRS-Code Form 990 available on its website or available for public inspection.

25. **Section 1732-C** (**Desegregation Orders**) is the same as Section 1730-A of the original charter school law. This section directs a local board of school directors of a school district which is operating under a desegregation plan not to approve a charter school application if such school would place the district in noncompliance with its desegregation order.

- 26. Section 1733-C (Provisions applicable to charter schools and cyber charter schools) merges the current references of other statutes that apply to charter schools under Section 1733-A with the provisions related to cyber charter schools under Section 1749-A of the original charter school law. The Open Meeting Law, Right to Know Law, State Adverse Interest Act and the Ethics Act were additionally referenced in this section to apply to all charter schools and cyber charter schools.
- 27. Section 1734-C (Effect on certain existing charter schools and cyber charter schools) is a new section that will direct how this new law will affect existing charter schools and cyber charter schools.

A charter school approved prior to the effective date of this act will continue to operate under their current charter. Upon expiration of their charter, the charter school or cyber charter school shall seek renewal of their charter from an appropriate authorizer. All charter schools approved after the effective act of the act shall be in full compliance with the act.

A charter school approved prior to the effective date of the act may transfer its charter to the oversight of the commission at any time. The board of trustees shall submit a transfer request and all other documentation needed to the commission. The commission shall follow the procedures outlined in this section to grant or deny the transfer.

A cyber charter school approved by the Department of Education prior to the effective date of the act shall continue to operate under their current charter, but all oversight shall be transferred to the commission. Upon renewal, the charter shall be amended as needed to reflect the requirements of the act.

A charter school which chooses to merge with another charter school pursuant to Section 1735-C of this act into a multiple charter school organization may apply to the commission to consolidate all affiliated school charters into a single charter within 1 year after the effective date of the act. The commission shall have 30 days to approve or deny the request.

28. **Section 1735-C** (**Multiple charter school organization**) creates a new section that would allow for two or more charter schools to apply to the commission to merge or consolidate into a multiple charter school organization. The organization shall be granted a single charter to operate two or more individual charter schools under the oversight of a single board of trustees and a chief administrator who shall oversee and manage the operation of each charter school under its jurisdiction.

The commission shall develop a standard form for applicants to become a multiple charter school organization. The form shall contain detailed background information about the organization, including a proposed governance structure, background on administrative roles, standards for board performance, enrollment procedures, and other information as deemed necessary by the commission.

A multiple charter school organization may be treated in the same manner in which a school district is treated for assessment; add new charter schools to its organization via the application process; add existing charter schools to its organization or amend the individual charters of each charter school under its organization via the amendment process; and allow students enrolled in an individual charter school to matriculate to another individual charter school under its oversight.

The multiple charter school organization shall compile and submit the annual report required by Section 1731-C to the commission.

The multiple charter school organization shall be regarded as the holder of the charter of each individual charter school under its oversight. If an individual charter school's charter is revoked or not renewed, that will not affect the status of a charter awarded for any other individual charter school under the organization's oversight.

29. **Section 1736-C** (**Special cyber charter school requirements**) is a compilation of provisions included in the original charter law that were specific to cyber charter schools and were not easily fit into the above listed sections.

Cyber charter schools shall not provide payments to parents for the purchase of instructional materials or compensation for the provision of services. Cyber charter schools shall provide all instructional materials, equipment, and technology services necessary for on-line instruction.

Cyber charter schools shall make available upon request to each student's school district of residence a copy of their charter, their application, annual reports, and a list of the students from that district. Cyber charter schools shall also provide to parents a detailed list of policies and procedures about the cyber charter school.

Cyber charter schools shall maintain an administrative office within the Commonwealth where all student records shall be maintained.

Any action taken against the cyber charter school, including any cyber charter school staff member, shall be governed by the laws of this Commonwealth. If the Department of Education initiates an investigation or pursues an action pursuant to the Professional Educator Discipline Act, any reasonable expenses incurred by the department shall be paid by the cyber charter school.

An intermediate unit or a school district where the student of a cyber charter school resides shall provide that student with reasonable access to its facilities for the administration of standardized tests.

Section 1706-C (Charter School and Cyber Charter School Funding Advisory Committee) shall take effect immediately upon passage of the act.

Sections 1704-C (Commission), 1705-C (Fund) and 1734-C (Affect on Existing Charters) shall take effect in 120 days.

All other sections of the bill shall take effect on July 1, 2012.

#### C. SUMMARY OF RELEVANT EXISTING LAW:

Article XVII-A (Charter Schools) added June 19, 1997 (P.L. 225, No. 22) to the Public School Code of 1949 is repealed by this bill.