



# Senate Education Committee

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## SUMMARY

### PICCOLA-WILLIAMS AMENDMENT A05700 TO S.B. 1, P.N. 1031

#### I. Opportunity Scholarships and Educational Improvement Tax Credit Act

##### A. Overview

- **Scope:** The Opportunity Scholarship program will apply only to low-income children living in the attendance boundary of low achieving schools.
- **Expansion of Income Limit:** Opportunity Scholarships will be available to students with family incomes of up to 185% of the federal poverty limit, with a 100% voucher for students with family incomes up to 130% of poverty and a 75% voucher for students with family incomes over 130% and up to 185% of poverty.
- **Administration of Program:** The Opportunity Scholarship program will be administered by PDE, with the Education Opportunity Board serving as an advisory board.
- **Funding:** Funding for the Opportunity Scholarship program is subject to annual appropriation, with funds distributed on a pro rata basis depending upon appropriations.
- **EITC:** The EITC program will be moved from the Tax Reform Code of 1971 into the School Code, and the funding level will be increased to \$100 million for fiscal years 2012-2013 and 2013-2014 and \$125 million for fiscal year 2014-2015. For each fiscal year thereafter, the funding level will increase by 5% if the aggregate amount of tax credits approved for the prior fiscal year is equal to at least 90% of the aggregate amount of tax credits that were available.

##### B. Scope of the Opportunity Scholarship Program

- **Implementation:**
  - Year 1 (2012-2013): Low-income children who both (1) attend a low achieving school during the current (2011-2012) school year or will be a kindergarten

student during the 2012-2013 school year, and (2) will live within the attendance boundary of a low achieving school as of the first day of classes of the 2012-2013 school year.

- Year 2 (2013-2014) and each school year thereafter: Low-income children who will live within the attendance boundary of a low achieving school as of the first day of classes of the school year for which the opportunity scholarship will be awarded.
- ***Amount of Voucher:***
  - Up to and including 130% of poverty (\$29,055 for a family of 4): 100% of the state's per-pupil subsidy to the resident school district (not to exceed actual tuition).
  - Above 130% of poverty, up to and including 185% of poverty (\$41,348 for a family of 4): 75% of the state's per-pupil subsidy to the resident school district (not to exceed actual tuition).
- ***Definition of "low achieving school":***
  - The list of low achieving schools will include:
    - In the 2012-2013 school year and each school year thereafter: A public elementary or secondary school in Pennsylvania ranking in the bottom 5% of its designation as elementary or secondary based on combined math and reading scores on the most recent PSSA; and
    - In the 2018-2019 school year and each school year thereafter: A public elementary or secondary school in which 50% or fewer of its students scored proficient or above in math or 50% or fewer of its students scored proficient or above in reading on the most recent assessment.
  - The list excludes schools that students and their families choose (*i.e.*, charter schools, cyber charter schools, area vo-tech schools, magnet schools, schools that do not draw their student body from specific attendance boundaries).
  - The current PDE list includes 111 elementary schools and 32 secondary schools.

### **C. Implementation of the Opportunity Scholarship Program**

- ***Scholarship applications:*** Students apply directly to PDE, which determines the scholarship amounts and distributes the awards.
  - For students attending private school: Payment is by check made payable to the parents, but endorsable only to the private school the student attends.
    - Each check will contain a statement warning the endorser of enhanced penalties if the check is not endorsed as directed by PDE (*i.e.*, civil penalty of 300% of the voucher award, ineligibility for future awards and criminal prosecution).
  - For students attending public school: Payment is made by transfer from the Commonwealth directly to the public school the student attends.
- ***Enrollment applications:*** Students apply directly to the school district or private school desired, which notifies PDE of the student's enrollment.

- Athletic recruiting is prohibited.
  - School districts must notify PDE of their intent to enroll scholarship students, but are not required to certify open attendance slots.
  - Private schools may not discriminate in their admission policies based on achievement, aptitude, status as a handicapped person, race or color, but may establish eligibility criteria for magnet schools.
- ***For public-to-public choice only:***
    - In addition to the state-funded opportunity scholarship, a student's resident school district may create a locally-funded scholarship equal to at least 10% of local per-pupil spending.
      - An additional incentive for a district to receive nonresident students.
    - School districts will not be required to accept scholarship students, but instead will develop their own admissions policies requiring that, if any students are accepted, they are accepted by lottery.
      - School districts may give priority to (1) students who have been awarded a local scholarship by their resident school districts; and (2) students who are siblings of currently enrolled students.
- ***Education Choice Board:***
    - The board consists of 3 members appointed by the Governor.
      - Initial members are appointed without Senate confirmation; successors require Senate confirmation.
      - Board appointees may not include current state public officials or appointees.
    - Members serve 4-year terms.
    - The Board's duties include approving guidelines developed by PDE, advising PDE on the administration of the program and delivering an annual report.
    - PDE provides staffing from existing personnel.
- ***Opportunity Scholarship Account:*** A restricted account in the General Fund, continuously appropriated to PDE to offset the costs of the Opportunity Scholarship Program.
    - Funded by:
      - An annual appropriation from the General Assembly;
      - The amount by which any opportunity scholarship exceeds the tuition charged to the recipient;
      - Commonwealth subsidies withheld from resident school districts equal to the state share of the resident school district's per pupil subsidy; and
      - Interest derived from money in the account.
- ***Effective Date:*** The Opportunity Scholarship provisions will be effective immediately upon enactment.

#### **D. EITC**

- **Funding Increase:** The amount of tax credits available to businesses donating to scholarship organizations (SOs), educational improvement organizations (EIOs) and pre-kindergarten scholarship organizations (PKSOs) will be increased as follows:
  - For SOs and EIOs: (75% for SOs/25% for EIOs)
    - For fiscal years 2012-2013 and 2013-2014: \$92 million (increased from current \$67 million)
    - For fiscal year 2014-2015: \$115 million
  - For PKSOs:
    - For fiscal year 2012-2013 and 2013-2014: \$8 million (remains at current level)
    - For fiscal year 2014-2015: \$10 million
  - For 2015-2016 and each fiscal year thereafter: The EITC funding levels for SOs/EIOs and PKSOs will increase by 5% if the aggregate amount of tax credits approved for the prior fiscal year is equal to at least 90% of the total aggregate amount of tax credits that were available.
  
- **Timing of applications:**
  - All applications may be filed beginning May 15 for a fiscal year beginning on July 1.
  - Applications will be accepted in the following order beginning on July 1 (to the extent insufficient credits are available, applications will be accepted on a pro rata basis):
    - Group 1 firms that have applied by July 1 (Group 1: any business firm entering the second year of a two-year commitment).
    - Group 2 firms that have applied by July 1 (Group 2: any business firm renewing a two-year commitment or contributing to a PKSO in the same amount that it contributed in the most recent fiscal year).
    - Group 3 firms that have applied by July 1 (Group 3: any business firm that is not in Group 1 or Group 2).
    - If any credits remain, the applications of all firms that apply after July 1 will be considered on a daily basis.
  
- **Contributions to EIOs that are school foundations:** 20% of the amount of tax credits available for contributions to EIOs will be set aside for contributions to EIOs that are also school foundations.
  - After July 1, any tax credits remaining from the set-aside amount will be made available to business firms for contributions to any EIO.
  
- **Additional tax included in EITC program:** Business firms will be able to make EITC contributions in return for a credit on the Surplus Lines Tax, a tax imposed under the Insurance Law.
  
- **Other changes to the EITC program:**
  - Credits may be claimed on joint returns.

- Chartered schools for the deaf and blind and approved private schools for exceptional children can benefit from contributions to EIOs for innovative educational programs.
- **Effective date:** The EITC program changes will take effect on July 1, 2012 or immediately upon enactment, whichever is later.

## II. Charter Reform Amendment

### A. Summary of Major Points

- **Statewide Advisory Committee for funding.** 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.
- **Conversion.** Current charter law allows for school districts to convert any public school into a charter so long as they have an acceptable level of buy-in from parents and employees of the school. The amendment would make this process easier by allowing any school district to convert a public school simply on a majority vote and without additional approvals by parents or employees. Once passed, the school board must put out a Request for Proposal to solicit applications from individuals or entities to create the charter school.
- **Direct Pay.** The bill requires payments from the Department to flow directly to the charter or cyber charter school. The school district will no longer serve as a pass-through for funding to charters or cybers.
- **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.**
- **Standardizes the charter school application.** The department will be charged with developing forms for all charter school applicants and school board directors to follow throughout the process. The application will also contain more information upfront about the role the education management service provider will play in the charter school, if any.
- **Standardizes reporting requirements and requires better disclosure of information from charter schools, cyber charter schools, educational management service providers and their non-profit charter school foundations.** The bill requires greater detail in charter school and cyber charter school applications, particularly for educational management service providers. The bill also requires disclosure of non-profit charter school foundation information.
- **Requires annual independent audits of charter schools and cyber charter schools and public disclosure.**

- ***Allows for charter schools to file for amendments to their charters.*** Current law does not have a process in place for amendments for charters. The bill will allow for charter and cyber charter schools to apply for amendments to their charters during the course of their charter. The bill outlines the procedures charters and school board directors are to follow during the amendment process.
- ***Appeal Board.*** The State Charter School Appeal Board (current law) within the Department of Education is expanded from seven members to nine. The amendment includes a charter school administrator and a cyber charter school administrator to that panel, as well as a parent of a student who attends a charter/cyber charter school.
- ***Allows charters to be chartered for an initial term of five years, to be followed by ten-year renewal terms.*** Current law only allows charters to be chartered for an initial term of 3 years and followed by 5-year renewal terms. The terms as they are currently written are too short and they hinder a charter's ability to obtain financial backing to operate.

#### **B. Section by Section Breakdown of the Amendment**

- ***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.
- ***Section 1703-A (Definitions)*** is amended by adding definitions for *administrator, charter school foundation, chief administrator, educational management service provider, immediate family member, non-related* and *Right-to-Know Law*. The amendment strikes the definition of *chief executive officer* since it is replaced by the definition of *chief administrator*. The amendment also modifies the definition for *school district of residence*.
- ***Section 1704-A (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.

- **Section 1714-A (Powers of charter schools)** is modified to give charter schools the power to enter into concurrent enrollment agreements and to seek accreditation by an accreditation agency.
- **Section 1715-A (Charter school requirements)** outlines those provisions with which charter schools must comply. The amendment adds the following:
  - Clause (5) is amended to clarify that a 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 which have religious items incorporated into the design of the school. The section allows for a 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.
  - Clause (8) is amended to add a provision that a charter school shall be treated in the same manner as a school district for the purposes of measuring the charter school's adequate yearly progress under the No Child Left Behind Act (NCLB).
  - Clause (11) is amended to state that all members of the board of trustees of a 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.
  - Clause (12) is amended to state that all administrators of a 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.

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 their charter school board of trustees a sworn statement that details the work to be conducted for the other entity and compensation; the board 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.

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

The amendment adds the following restrictions:

For all 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 the local board of school directors who authorized that particular charter. An employee of a local board of school directors 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.

The amendment adds that boards of trustees shall have a minimum of five non-related voting members. Any 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.

The amendment adds that 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).

The amendment adds that in the event a member of the board refuses or neglects to perform any duty imposed upon it under the act, at least 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.

- **Section 1717-A (Establishment of Charter School)** amends the conversion process to allow a local board of school directors which desires to convert an existing building to designate and approve by a majority vote 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.

The amendment changes the date that an application to establish a charter school shall be submitted from November 15 to October 1 of the school year preceding the year in which the charter school wishes to commence operation.

The amendment strikes a provision in current law that requires a charter school to obtain 1,000 resident signatures on a petition to support their appeal to the appeal board.

The amendment removes a vague current provision requiring that the charter school show how it is to be a model for other public schools as part of the application process.

- **Section 1719-A (Contents of Application)** holds that the department shall develop and issue a standard application form that shall be used by all applicants to establish a charter school. The application contents are expanded to include:
  - An organization chart clearly presenting the proposed governance structure of the charter school.
  - 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.
  - A clear description and method for the appointment or election of members of the board of trustees.
  - Standards for board performance, including compliance with all applicable laws, regulations and terms of the charter.
  - If the charter school intends to contract with an educational management service provider for services, the applicant shall:
    - Provide evidence of the education management service provider's record in serving student populations.
    - Provide a term sheet setting forth all of the following:
      - The proposed duration of the service contract.
      - Roles and responsibilities of the governing board, the school staff and the educational management service provider.
      - The scope of services and resources to be provided by the educational management service provider.
      - Performance evaluation measures and timelines.

- The compensation structure, including clear identification of all fees to be paid to the educational management service provider.
  - Methods of contract oversight and enforcement.
  - Investment disclosure or the advance of moneys by the educational management service provider on behalf of the charter school or cyber charter school.
  - Conditions for renewal and termination of the contract.
- 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.
- Policies regarding truancy, absences and withdrawal of students, including the manner in which the charter school will monitor attendance.
- How the charter school will meet the performance matrix standards developed by the department (see section 1732-A).
- An indication whether or not the charter school will seek accreditation by the Middle States Association of Colleges and Schools or another regional charter school accrediting agency.

A local board of school directors may not impose additional terms or require additional information outside the standard application form established by the department.

- ***Section 1720-A (Term and Form of Charter)*** is amended to expand the life of the charter school. 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).

The amendment allows a charter school to have the ability to request amendments to its approved written charter by filing a written document describing the requested amendment to the local board of school directors. Within 20 days of receipt of the amendment, the local school board of directors shall hold a public hearing on the amendment. Within 20 days of the hearing, the board must grant or deny the requested amendment. If a school board fails to follow this procedure or if the school board denies an amendment, the applicant is allowed to appeal to the appeal board.

- ***Section 1721-A (State Charter School Appeal Board)***. The State Charter School Appeal Board within the department is expanded from seven members to nine. The amendment includes a charter school administrator and a cyber charter school administrator to that panel, as well as a parent of a student who attends a charter/cyber charter school.
- ***Section 1722-A (Facilities)***. 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 amendment clarifies that this exemption extends to associated non-profit corporations as well.

The amendment would allow a school district to permit a charter school to operate its

school in more than one location.

The amendment prohibits the consumption, purchase or sale of alcoholic beverages in a charter school or cyber charter school facility. The secretary of the department may fine the school for a violation of this prohibition (*i.e.*, \$1,000 for first offense; \$5,000 for second or subsequent offense).

- **Section 1723-A (Enrollment).** The amendment states that 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 a local board of school directors. 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. The amendment adds a preference for siblings of students selected during the lottery process.

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. The notification form shall be developed by the department and contain standard information. 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 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.

- **Section 1725-A (Funding for charter schools).** 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 for both non-special education and special education students. Payments shall be made directly to the 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 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.
- **Section 1728-A (Annual Reports and Assessments)** is amended by the following:

At the end of each fiscal year, every 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 charter school shall use a certified public accountant to complete the 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 charter school's website.

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

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

- ***Section 1729-A (Causes for Nonrenewal or Termination)*** is amended by removing the reference to a charter school being convicted of fraud as a trigger for nonrenewal of a charter. Charter schools cannot be convicted of fraud; only individuals can be convicted of fraud. Hence, the removal of that clause.

The amendment adds that as a condition of renewal, the local board of school directors shall have the authority to require the 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. The board may refer findings to the district attorney or Attorney General for prosecution.

- ***Section 1732-C (Provisions applicable to charter schools)*** applies the following new sections to charter schools:
  - Section 1205.3 (Charter schools – certification of teachers).
  - Section 1205.4 (CPR instruction).
  - Section 1205.5 (Continuing professional education for school or system leaders).
  - Section 1302 (Residence and right to free school privileges).
  - Section 1303 (Immunization required; penalty).
  - Section 1317.3 (Uniforms).
  - State Adverse Interest Act.
  - The Open Meeting Law.
  - Right to Know Law.
  - Ethics Act.

Section 755 (contracts to prohibit discrimination against race, creed or color; penalty) is removed as it was repealed.

References to 22 Pa.Code Chapter 5 (relating to curriculum) were removed throughout the current law as those regulations have been replaced by 22 Pa.Code Chapter 4 (relating to academic standards and assessments). All references to Chapter 5 have been replaced with references to Chapter 4.

Within one year of the effective date of the act, the department shall develop a performance matrix to measure charter school success. The matrix may include several objective criteria, including assessment scores, Keystone Exam scores, attrition rates, graduation rates, attendance, accreditation, PVAAS data, parent satisfaction, school safety, etc. The department shall develop the matrix with the involvement of charter school operators, and may contract out with a service provider with background in developing these matrices. The department shall issue this matrix through the IRRC regulatory process. Local school boards may not develop or utilize their own matrix.

- ***Section 1733-A (Effect on certain existing charter schools)*** is a new section that will direct how this new law will affect existing charter schools. A charter school approved prior to the effective date of this act will have one year from the effective date of the act to make any changes needed to its charter via the amendment process outlined in Section 1720-A(b) to reflect the provisions of the article. Charters renewed after July 1, 2012 shall be renewed for a term of 10 years. All charter schools approved after the effective act of the act shall be in full compliance with the act.
- ***Section 1745-A (Establishment of a cyber charter school)*** is amended to allow 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 amendment removes a vague current provision requiring that the cyber charter school show how it is to be a model for other public schools as part of the application process.

The amendment allows a cyber charter school to request amendments to its approved written charter by filing a written document describing the requested amendment to the department. Within 20 days of receipt of the amendment, the department shall hold a public hearing on the amendment. Within 20 days of the hearing, the department must grant or deny the requested amendment. If the department fails to follow this procedure or denies an amendment, the applicant is allowed to appeal to the appeal board.

- ***Section 1748-A (Enrollment and notification)*** is struck out entirely as it is now encompassed in Section 1723-A.

- ***Section 1749-A (Applicability of other provisions of this act and of other acts and regulations)*** applies the following new sections to cyber charter schools:
  - Section 736. Heating Stoves to be Shielded.
  - Section 737. Ventilation; Thermometer.
  - Section 738. Fireproof Construction.
  - Section 739. Doors to Open Outward; Fire Escapes; etc.
  - Section 740. Water-closets or Out-houses.
  - Section 741. Substrata Evaluation.
  - Section 1317. Authority of Teachers, Vice Principals and Principals over Pupils.
  - Section 1327. Compulsory School Attendance.
  - Section 1513. Physiology and Hygiene.
  - Section 1517. Fire and Emergency Evacuation Drills.
  - Section 1728-A(d)-(h) (pertains to performance audits and budgets).
  - State Adverse Interest Act.
  - The Open Meeting Law.
  - Right to Know Law.
  - Ethics Act.

Section 755 (contracts to prohibit discrimination against race, creed or color; penalty) is removed as it was repealed. Specific references to sections (a) and (b) of Section 1723-A were removed in that the entire section now applies to cyber charter schools.

Section 1704-A (Charter School Funding Advisory Committee) shall take effect immediately upon passage of the act. Section 1725-A (a)(5), which is the direct pay portion of the amendment, shall take effect October 1, 2012. The remainder of this act shall take effect in 90 days.

### **C. Summary of Relevant Existing Law**

Article XVII-A (Charter Schools) was added June 19, 1997 (P.L. 225, No. 22) to the Public School Code of 1949. It was amended to add a subdivision on Cyber Charter Schools on June 29, 2002 (P.L.524, No. 88).