
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 305 Session of
2005

INTRODUCED BY PILEGGI, BRIGHTBILL, ERICKSON, PICCOLA, KITCHEN
AND ORIE, FEBRUARY 15, 2005

REFERRED TO EDUCATION, FEBRUARY 15, 2005

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," further providing for free
6 transportation of students; and providing for education
7 choice.

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

10 Section 1. Section 1361 of the act of March 10, 1949
11 (P.L.30, No.14), known as the Public School Code of 1949,
12 amended May 11, 1979 (P.L.26, No.7), is amended to read:

13 Section 1361. When Provided.--(1) The board of school
14 directors in any school district may, out of the funds of the
15 district, provide for the free transportation of any resident
16 pupil to and from the kindergarten, elementary school, or
17 secondary school in which he is lawfully enrolled, provided that
18 such school is not operated for profit and is located within the
19 district boundaries or outside the district boundaries at a
20 distance not exceeding ten miles by the nearest public highway,

1 except that such ten-mile limit shall not apply to area
2 vocational technical schools which regularly serve eligible
3 district pupils or to special schools and classes approved by
4 the Department of Education, and to and from any points within
5 or without the Commonwealth in order to provide field trips for
6 any purpose connected with the educational pursuits of the
7 pupils. When provision is made by a board of school directors
8 for the transportation of public school pupils to and from such
9 schools or to and from any points within or without the
10 Commonwealth in order to provide field trips as herein provided,
11 the board of school directors shall also make identical
12 provision for the free transportation of:

13 (i) students who are resident within the district and
14 regularly attend a public school or charter school outside the
15 boundaries of their district of residence at a distance not
16 exceeding ten (10) miles by the nearest public highway to and
17 from such schools or to and from any points within or without
18 this Commonwealth in order to provide field trips as herein
19 provided; and

20 (ii) pupils who regularly attend nonpublic kindergarten,
21 elementary and high schools not operated for profit to and from
22 such schools or to and from any points within or without the
23 Commonwealth in order to provide field trips as herein provided.
24 Such transportation of pupils attending nonpublic schools shall
25 be provided during regular school hours on such dates and
26 periods that the nonpublic school not operated for profit is in
27 regular session, according to the school calendar officially
28 adopted by the directors of the same in accordance with
29 provisions of law. The board of school directors shall provide
30 such transportation whenever so required by any of the

1 provisions of this act or of any other act of Assembly.

2 (2) The board of school directors in any school district
3 may, if the board deems it to the best interest of the school
4 district, for the purposes of transporting pupils as required or
5 authorized by any of the provisions of this act or of any other
6 act of the Assembly, appropriate funds for urban common carrier
7 mass transportation purposes from current revenues to urban
8 common carrier mass transportation authorities to assist the
9 authorities to meet costs of operation, maintenance, capital
10 improvements, and debt service. Said contributions shall not be
11 subject to reimbursement by the Commonwealth of Pennsylvania.

12 (3) The State Board of Education shall adopt regulations,
13 including qualifications of school bus drivers, to govern the
14 transportation of school pupils.

15 Section 2. The act is amended by adding an article to read:

16 ARTICLE XIII-B

17 EDUCATION CHOICE

18 Section 1301-B. Legislative findings.

19 The General Assembly finds that:

20 (1) Parents are best suited to choose the most
21 appropriate means of education for their school-age children.

22 (2) Providing diverse educational opportunities for the
23 children of this Commonwealth is a civic imperative and a
24 matter of serious concern.

25 (3) The importance of quality education and the need to
26 maintain and operate an effective system of education make it
27 imperative to provide for the increased availability of
28 diverse opportunities, including both public and nonpublic
29 programs of education, to benefit all citizens of this
30 Commonwealth.

1 (4) Many disadvantaged school-age residents of this
2 Commonwealth enjoy comparatively fewer educational
3 opportunities or options than school-age residents who
4 possess greater economic means.

5 (5) The accessibility to families of nonpublic
6 educational alternatives decreases the burdens on the
7 Commonwealth and local school districts and increases the
8 range of educational choices available to Pennsylvania
9 families, thus providing a benefit to all citizens of this
10 Commonwealth.

11 (6) The program of educational choice provided in this
12 article is one element of an overall program of providing
13 funds to assure the availability of educational opportunities
14 for students enrolled in the schools of this Commonwealth. A
15 comparatively far greater proportion of public funds are and,
16 on implementation of an educational choice program, will
17 continue to be devoted to the benefit of students enrolled in
18 the public schools of this Commonwealth. Therefore, an
19 educational choice program should be viewed as an integral
20 part of its overall program of educational funding and not as
21 an isolated individual program.

22 (7) A program of financial assistance to enhance
23 educational choice in this Commonwealth as one element of the
24 Commonwealth's plan for funding of diverse educational
25 opportunities will greatly aid efforts to equalize
26 educational opportunities for the citizens of this
27 Commonwealth, will better prepare Commonwealth citizens to
28 compete for employment opportunities, will foster development
29 of a more capable and better-educated work force and will
30 better enable the Commonwealth to fulfill its obligation of

1 providing children the opportunity of receiving a quality
2 education.

3 Section 1302-B. Definitions.

4 The following words and phrases when used in this article
5 shall have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 "Basic education funding." Subsidy payments to school
8 districts under section 2502.39 (relating to basic education
9 funding for 2000-2001 school year) and any supplement thereto.

10 "Department." The Department of Education of the
11 Commonwealth.

12 "Dependent." An individual claimed as a personal exemption
13 by the taxpayer for Federal income tax purposes. The term shall
14 have the same meaning as that contained in section 152 of the
15 Federal Internal Revenue Code of 1986 (Public Law 99-514, 26
16 U.S.C. § 152).

17 "Educational opportunity grant" or "grant". A grant awarded
18 to the parents of an eligible grant recipient pursuant to this
19 article.

20 "Eligible district." A school district having a minimum of
21 35% of school-age children eligible for free or reduced-price
22 meal programs under the National School Lunch Act (60 Stat. 230,
23 42 U.S.C. § 1751, et seq.) in any of the prior three years.

24 "Eligible grant recipient." A school-age resident of an
25 eligible district located in this Commonwealth who attends or is
26 about to attend a public or nonpublic full-time kindergarten,
27 part-time kindergarten or grades one, two or three at a public
28 or nonpublic elementary school within this Commonwealth on a
29 tuition-paying basis and whose parents received taxable income
30 which did not exceed the limits prescribed in section 1304-

1 B(b)(2) (relating to educational opportunity grants).

2 "Household." An individual living alone or with the
3 following: a spouse, parent and their unemancipated minor
4 children and other unemancipated minor children who are related
5 by blood or marriage; or other adults or unemancipated minor
6 children living in the household who are dependent on the
7 individual.

8 "Household income." All moneys or property received of
9 whatever nature and from whatever source derived. The term does
10 not include the following:

11 (1) Periodic payments for sickness and disability other
12 than regular wages received during a period of sickness or
13 disability.

14 (2) Disability, retirement or other payments arising
15 under workers' compensation acts, occupational disease acts
16 and similar legislation by any government.

17 (3) Payments commonly recognized as old-age or
18 retirement benefits paid to persons retired from service
19 after reaching a specific age or after a stated period of
20 employment.

21 (4) Payments commonly known as public assistance or
22 unemployment compensation payments by a governmental agency.

23 (5) Payments to reimburse actual expenses.

24 (6) Payments made by employers or labor unions for
25 programs covering hospitalization, sickness, disability or
26 death, supplemental unemployment benefits, strike benefits,
27 Social Security and retirement.

28 (7) Compensation received by a United States serviceman
29 serving in a combat zone.

30 "Nonpublic" or "nonpublic school." Any school other than a

1 public school located within this Commonwealth where a
2 Commonwealth resident may legally fulfill the compulsory school
3 attendance requirements of this act and which meets the
4 applicable requirements of Title VI of the Civil Rights Act of
5 1964 (Public Law 88-352, 78 Stat. 241). The term also includes a
6 full-time or part-time kindergarten program operated by a
7 nonpublic school.

8 "Nonresident student." A student attending a public school
9 outside of his or her district of residence.

10 "Parent" or "parents." A Commonwealth resident who is a
11 parent or guardian of or a person in parental relation to a
12 school-age child.

13 "School." Any public or nonpublic elementary school located
14 within this Commonwealth where a Commonwealth resident may
15 legally fulfill the compulsory school attendance requirements of
16 this act, which meets the applicable requirements of Title VI of
17 the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241)
18 and which does not refuse to enroll any student because of race,
19 color, national or ethnic origin. The term also includes a full-
20 time or part-time kindergarten program operated by a school. The
21 term does not include an approved private school as provided for
22 in section 1376 (relating to cost of tuition and maintenance of
23 certain exceptional children in approved institutions).

24 "School-age." The period of a child's life from the earliest
25 admission age to a school's kindergarten program until the age
26 of 21 years or graduation from high school, whichever occurs
27 first.

28 "Student." A school-age resident of an eligible district
29 located in this Commonwealth who attends or is about to attend a
30 full-time kindergarten, a part-time kindergarten or grades one,

1 two or three at an elementary school within this Commonwealth.
2 Section 1303-B. Interdistrict choice.

3 (a) Choice of schools permitted.--Beginning with the 2005-
4 2006 school year every student who resides in an eligible
5 district shall be permitted to attend the public school selected
6 by the student's parents at the kindergarten, first grade,
7 second grade or third grade level unless:

8 (1) the public school selected has no additional
9 attendance slots available and the district so notifies the
10 department and the student within the time limitations
11 established by the department for this purpose;

12 (2) the student's attendance would place either the
13 receiving school district or the student's district of
14 residence in violation of a valid and binding desegregation
15 order;

16 (3) the public school requested does not offer
17 appropriate programs or is not structured or equipped with
18 the necessary facilities to meet the special needs of the
19 student or does not offer a particular program requested;

20 (4) the student has been expelled or is in the process
21 of being expelled pursuant to section 1318 (relating to
22 suspension and expulsion of pupils) and applicable
23 regulations of the State Board of Education; or

24 (5) the student does not meet the established
25 eligibility criteria for participation in magnet schools or
26 in schools with specialized academic missions.

27 (b) Application.--

28 (1) Not later than March 1, 2005, the parents of a
29 school-age student who is attending or about to attend
30 kindergarten or grades one, two or three at a public school

1 may apply to up to three public schools which the student
2 wishes to attend during the 2005-2006 school year. The
3 application shall be on a form provided by the department. In
4 subsequent years, the deadline for filing applications shall
5 be March 1 preceding the school term which commences in that
6 year.

7 (2) The school district shall notify the parent not
8 later than May 1 preceding the school term which commences in
9 that year whether or not the application has been accepted.
10 If the application is not made in a timely fashion or cannot
11 be approved pursuant to subsection (a), the student's
12 district of residence shall determine the public school
13 within that district to which the student shall be assigned
14 pursuant to this article.

15 (c) Commonwealth payments.--The Commonwealth shall make
16 payment pursuant to the schedule contained in section 2517
17 (relating to payments) to each public school district, area
18 vocational-technical school or intermediate unit which accepts a
19 nonresident student under the provisions of this section in the
20 following manner:

21 (1) The Commonwealth shall pay on a current year basis
22 from current year appropriations to each school district,
23 area vocational-technical school or intermediate unit which
24 accepts a nonresident student, on a tuition basis, an amount
25 equal to the greater of the per pupil basic education funding
26 of the student's school district of residence or of the
27 receiving school district. No student attending a public
28 school outside the student's district of residence shall be
29 included in the average daily membership for purposes of
30 determining basic education funding under this act in either

1 the student's school district of residence or the receiving
2 school district.

3 (2) Notwithstanding paragraph (1), a student who is
4 enrolled in a public school and who receives a grant under
5 this article to transfer to a public or nonpublic school not
6 operated by that student's district of residence shall
7 continue to be included by the district of residence in its
8 average daily membership for purposes of determining basic
9 education funding under this act through the 2008-2009 school
10 year.

11 (3) For a nonresident student who is a grant recipient
12 and who is defined as a "child with exceptionalities" under
13 section 1371 (relating to definition of children with
14 exceptionalities; reports; examination), the district of
15 residence shall not be required to pay more for services
16 provided to the student by the receiving district than the
17 difference between the current year cost of the services had
18 the student remained in the district of residence and the sum
19 of the grant plus the per pupil basic education funding level
20 following the grant recipient. The district of residence
21 shall provide the receiving district with documentation of
22 the prior year's cost of services provided to the student and
23 an estimate of the cost of providing those services in the
24 current year had the student remained in the district of
25 residence. Any cost not covered by this funding shall be
26 borne by the receiving school district.

27 (4) For a nonresident student who is not a grant
28 recipient and who is defined as a "child with
29 exceptionalities" under section 1371, the district of
30 residence shall not be required to pay more for services

1 provided to the student by the receiving district than the
2 difference between the current year cost of the services had
3 the student remained in the district of residence and the per
4 pupil basic education funding level following the student.
5 The district of residence shall provide the receiving
6 district with documentation of the prior year's cost of
7 services provided to the student and an estimate of the cost
8 of providing those services in the current year had the
9 student remained in the district of residence. Any cost not
10 covered by this funding shall be borne by the receiving
11 school district.

12 (5) A student receiving services under paragraph (3) or
13 (4) shall be included in the average daily membership of the
14 student's district of residence for the purpose of
15 determining special education funding pursuant to section
16 2509.5 (relating to special education payments to school
17 districts).

18 (d) Credits against public school tuition.--

19 (1) In addition to the grant awarded to the parents of
20 an eligible grant recipient attending a public school outside
21 the grant recipient's district of residence, an amount equal
22 to the greater of the per pupil basic education funding in
23 the grant recipient's district of residence or of the
24 receiving school district shall be credited toward the
25 tuition charged to that student by the receiving district.

26 (2) Should the grant award plus the basic education
27 funding credit to be paid under this subsection exceed the
28 tuition charge of the receiving school district, the grant
29 award shall be reduced by the amount in excess of the tuition
30 charge.

1 (3) Except for those students who receive grants under
2 section 1304-B(b)(6) (relating to educational opportunity
3 grants), should the grant award plus the basic education
4 funding credit to be paid under this subsection not be
5 sufficient to meet the tuition charge of the receiving school
6 district, an amount equal to 5% of the balance of the charge
7 still remaining shall be payable by the eligible grant
8 recipient's parents and, when paid, shall be treated, along
9 with the grant and basic education funding credit, as payment
10 in full of the receiving district's tuition charge.

11 (4) In the case of a student whose parents received
12 taxable income in excess of the maximum income limit
13 contained in section 1304-B(b)(2), during the immediately
14 preceding calendar year, only the basic education funding
15 credit authorized by this subsection shall be applied toward
16 the tuition charge of the receiving school district.

17 (5) The student's parents shall pay an amount equal to
18 40% of the balance of the charge still remaining which, when
19 paid, shall be treated as payment in full of the receiving
20 district's tuition charge.

21 (e) Attendance slots.--

22 (1) Each school district, in its sole discretion, shall
23 determine by resolution the number of available attendance
24 slots on an annual basis at the kindergarten, first grade,
25 second grade and third grade levels at each of its public
26 schools and shall report that number to the department each
27 year by a date to be established by the department. In
28 determining and allocating the number of attendance slots
29 available at those grade levels, each school district shall
30 make provision for the accommodation of any resident of the

1 district, giving first preference to students residing within
2 a school's attendance boundary, who desires to attend a
3 particular public school in the district and, after making
4 provision for the attendance of the remaining resident
5 students, shall thereafter give first preference to
6 nonresident students who were in attendance in the district's
7 schools during the immediately preceding school term.

8 (2) If sufficient slots are not available to accommodate
9 nonresident students who were in attendance in the district's
10 schools during the immediately preceding school term,
11 available slots shall be allocated through a publicly
12 conducted lottery among these students.

13 (3) Should any attendance slots remain available after
14 making provision for nonresident students who were in
15 attendance during the preceding term, the slots shall be
16 filled by the superintendent or his designee through a
17 publicly conducted lottery from the pool of all remaining
18 qualified applicants who have made timely application.

19 (4) With the exception of magnet schools or schools with
20 specialized academic missions, selection procedures shall not
21 include eligibility criteria in the allocation of available
22 slots.

23 (f) Enrollments.--Enrollments may be renewed each school
24 year subsequent to the completion of grade three so long as the
25 student remains enrolled in a public elementary or secondary
26 school and otherwise meets the requirements for eligibility
27 under this article.

28 Section 1304-B. Educational opportunity grants.

29 (a) Annual appropriations.--Educational opportunity grants
30 authorized pursuant to this section shall be made from annual

1 appropriations made by the General Assembly to the department
2 for that purpose. In the event that insufficient moneys are
3 appropriated in any fiscal year to provide grants to all parents
4 of eligible grant recipients in the full amount authorized, the
5 department shall make pro rata reductions in the amount of the
6 grant provided to each parent. The total amount of grants
7 provided in any fiscal year shall be limited to the amount of
8 money appropriated for that fiscal year.

9 (b) Administration.--The department shall administer a
10 program of educational opportunity grant awards to be made
11 annually to the parents of each eligible grant recipient subject
12 to the following terms, conditions and payment schedules:

13 (1) Grants shall be made only for the payment of costs
14 of tuition at a school within this Commonwealth. Grants shall
15 not be made for a home education program provided pursuant to
16 section 1327.1 (relating to home education program).

17 (2) Except for grants made to students under paragraph
18 (6), the following percentage classifications shall apply to
19 eligibility for a grant award in the maximum amount
20 authorized under paragraphs (3) and (4):

21 (i) 100% of the maximum grant shall be available to
22 eligible grant recipients whose parents had a household
23 income which did not exceed \$25,000;

24 (ii) 95% of the maximum grant shall be available to
25 eligible grant recipients whose parents had a household
26 income which did not exceed \$30,000;

27 (iii) 90% of the maximum grant shall be available to
28 eligible grant recipients whose parents had a household
29 income which did not exceed \$35,000;

30 (iv) 85% of the maximum grant shall be available to

eligible grant recipients whose parents had a household income which did not exceed \$40,000;

(v) 80% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$45,000;

(vi) 75% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$50,000;

(vii) 70% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$55,000;

(viii) 65% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$60,000;

(ix) 60% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$65,000;

(x) 55% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$70,000;

(xi) 50% of the maximum grant shall be available to eligible grant recipients whose parents had a household income which did not exceed \$75,000;

for the school year 2008-2009 and each year thereafter, the household income limits for eligibility for each percentage classification of the maximum grant amount shall be adjusted by the department to reflect any percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) developed and updated by the Bureau of Labor Statistics of the United States Department of Labor. The department shall

1 publish the adjustment as a notice in the Pennsylvania
2 Bulletin.

3 (3) Except for grants made to students under paragraph
4 (6), for the school years 2005-2006 through 2009-2010, the
5 maximum grant shall be the lesser of \$3,000 or an amount
6 equal to 95% of the actual amount of tuition paid or to be
7 paid:

8 (i) for an eligible grant recipient enrolled in a
9 full-day kindergarten program meeting the requirements
10 relating to minimum hours or days of instruction as
11 provided in section 1327 (relating to compulsory school
12 attendance); or

13 (ii) for an eligible grant recipient enrolled in
14 grades one through three.

15 (4) Except for grants made to students under paragraph
16 (6), for the school years 2005-2006 through 2009-2010, the
17 maximum grant shall be the lesser of \$1,500 or an amount
18 equal to 95% of the actual amount of tuition paid or to be
19 paid for an eligible grant recipient enrolled in a half-day
20 kindergarten program meeting the requirements of this act
21 applicable to kindergarten.

22 (5) For each school year subsequent to 2009-2010, the
23 maximum amount of a grant shall be increased by a percentage
24 factor equal to the percentage increase in the Consumer Price
25 Index for All Urban Consumers (CPI-U) for the Pennsylvania,
26 New Jersey, Delaware and Maryland area, officially reported
27 by the United States Department of Labor, Bureau of Labor
28 Statistics, immediately prior to the date the adjustment is
29 to take place.

30 (6) For students who are eligible to receive federally

1 subsidized free school meals, the grant shall be the greater
2 of:

3 (i) the maximum grant allowed under paragraphs (3),
4 (4) and (5); or

5 (ii) the per pupil basic funding in the public
6 schools of the student's district of residence.

7 (7) (i) Grants made to students who are eligible under
8 paragraph (6) may not exceed the full amount of tuition
9 charged by the school which the student attends.

10 (ii) The limitation of the grant to 95% of the
11 actual amount of tuition paid or to be paid as set forth
12 in paragraphs (3) and (4) shall not apply to students
13 receiving grants under this paragraph.

14 (8) Grants may be renewed each school year subsequent to
15 the completion of grade three so long as the student remains
16 enrolled in a public or nonpublic elementary or secondary
17 school on a tuition-paying basis and otherwise meets the
18 requirements for grant eligibility under this article.

19 Section 1305-B. Grant administration.

20 (a) Guidelines.--

21 (1) The department shall prepare guidelines establishing
22 an application form and approval process, standards for
23 verification as to accuracy of application information,
24 confirmation of attendance by grant recipients, restrictive
25 endorsement of grant award checks to the school chosen by the
26 parents, pro rata refunds of grants for students who withdraw
27 during the school year, repayment of refunded grants to the
28 department and reasonable deadline dates for submission of
29 grant applications and shall announce the award of grants no
30 later than 30 days prior to the beginning of the school term

1 for which the grants will be utilized.

2 (2) Grants shall be paid to the parents of an eligible
3 grant recipient on receipt of written confirmation of
4 enrollment from the recipient's school of choice. Grant
5 awards shall be paid by checks which may only be endorsed by
6 the parents for payment of tuition at the school designated
7 in the grant application.

8 (3) In the event a grant recipient is no longer enrolled
9 prior to the completion of the school term, the school shall
10 send written notice thereof to the department.

11 (4) The guidelines shall be published as a statement of
12 policy in the Pennsylvania Bulletin. A copy of the guidelines
13 shall be mailed by the department to each school district and
14 nonpublic school in this Commonwealth.

15 (b) Adjudications.--Adjudications rendered by the department
16 pursuant to this section shall be subject to 2 Pa.C.S. (relating
17 to administrative law and procedure).

18 (c) Procedures.--

19 (1) The department shall establish procedures for
20 determination of acceptance and notification dates for the
21 admission by school districts of students to their school of
22 choice, for establishment and operation of the grant program,
23 for basic education funding credits and payments authorized
24 in this article and for assisting school districts in
25 developing and distributing public information concerning the
26 educational choice programs.

27 (2) In addition to any other public information process
28 selected by the department for dissemination of information,
29 departmental procedures shall be published as a statement of
30 policy in the Pennsylvania Bulletin and shall be mailed by

1 the department to each school in this Commonwealth.

2 (d) Refunds; interest.--

3 (1) (i) In the event a grant recipient is no longer
4 enrolled in a school and is not subsequently timely
5 enrolled in another program of full-day kindergarten,
6 half-day kindergarten or elementary or secondary
7 education and the parents of the grant recipient fail to
8 submit the full amount of a pro rata grant refund payment
9 to the department within 30 days of receipt of
10 notification that such payment is due, the parents of the
11 eligible grant recipient shall be subject to imposition
12 by the Secretary of Education of interest on the grant
13 refund payment to be calculated from the due date at the
14 rate determined by the Secretary of Revenue for interest
15 payments on overdue taxes or the refund of taxes as
16 provided in sections 806 and 806.1 of the act of April 9,
17 1929 (P.L.343, No.176), known as The Fiscal Code, and any
18 subsequent amendments to those sections.

19 (ii) Should the parents of the grant recipient fail
20 to submit the full amount of the refund to the department
21 within 180 days of written demand therefor, the
22 department may also impose a civil penalty not to exceed
23 the full amount of the annual grant award made to the
24 parents and disqualification from future eligibility for
25 an educational opportunity grant.

26 (2) In addition to the penalties provided under
27 paragraph (1), any person who fraudulently submits a grant
28 application or who knowingly falsifies material information
29 on a grant application shall be subject to imposition by the
30 Secretary of Education of a civil penalty of up to \$1,000 and

1 shall be disqualified from future participation in the
2 educational opportunity grant program.

3 (e) No authority of State board.--Notwithstanding any other
4 provisions of law to the contrary, the program and procedures
5 and guidelines authorized by this article shall not be subject
6 to review, regulation or approval by the State Board of
7 Education.

8 (f) No additional requirements.--Nothing in this article
9 shall be construed to empower the Commonwealth or any of its
10 agencies or officers or political subdivisions to impose any
11 additional requirements on any nonpublic school which are not
12 otherwise authorized under the laws of this Commonwealth or to
13 require any nonpublic school to accept eligible grant recipients
14 if the nonpublic school does not offer appropriate programs or
15 is not structured or equipped with the necessary facilities to
16 meet the special needs of the student or does not offer a
17 particular program requested.

18 (g) Nontaxable.--Educational opportunity grant funds or
19 school district tuition grants received by a parent under the
20 authority of this article shall not be considered to be taxable
21 income for purposes of Article III of the act of March 4, 1971
22 (P.L.6, No.2), known as the Tax Reform Code of 1971, nor shall
23 such grants constitute financial assistance or appropriations to
24 the educational institution attended by the grant recipient.

25 (h) Optional enrollment.--No nonpublic school may be
26 compelled to accept or enroll eligible grant recipients.

27 (i) Equal tuition.--No school may charge a grant recipient a
28 higher tuition than that student would have been charged without
29 having received a grant.

30 (j) Study commission.--A study commission shall conduct a

1 study of the program enacted in this article and shall report
2 its findings to the General Assembly following the 2009-2010
3 school year. The commission shall be composed of two persons
4 appointed by each of the following: the Governor, the President
5 pro tempore of the Senate, the Speaker of the House of
6 Representatives and the Secretary of Education.

7 (k) Severability.--The provisions of this article are
8 severable. If any provision of this article or its application
9 to any person or circumstances is held invalid, the invalidity
10 shall not affect other provisions or applications of this
11 article which can be given effect without the invalid provision
12 or application.

13 (l) Eligible dates.--If the award of educational opportunity
14 grants to parents of students attending public or nonpublic
15 schools is enjoined or otherwise delayed by a court of competent
16 jurisdiction, the schedules of dates established under this
17 article regarding eligibility for and administration of the
18 school choice program shall begin with the school year
19 commencing after:

20 (1) If an injunction or delay occurs in a court of this
21 Commonwealth, final determination of the United States
22 Supreme Court or an intermediate appellate court of this
23 Commonwealth, so long as in the latter case, further review
24 has been either precluded or denied.

25 (2) If an injunction occurs in Federal court, final
26 determination by the United States Supreme Court or the Third
27 Circuit Court or Appeals, so long as in the latter case
28 further appeal or review has been precluded or denied.

29 Section 1306-B. Tuition grants by school districts.

30 (a) Program established.--The board of school directors in

1 any school district may, out of funds received from the State
2 for educational purposes, establish a program of tuition grants
3 to provide for the education of school-age children who reside
4 in that district and who attend a public or nonpublic school on
5 a tuition-paying basis.

6 (b) Guidelines.--

7 (1) The board of school directors shall prepare
8 guidelines establishing an application form and approval
9 process, standards for verification as to the accuracy of
10 application information, confirmation of attendance by grant
11 recipients, pro rata refunds of grants for students who
12 withdrew during the school year, repayment of refunded grants
13 to the school district and reasonable deadline dates for
14 submission of grant applications and shall announce the award
15 of grants no later than August 15 of the school year in which
16 the grants will be utilized.

17 (2) Grants shall be paid to the parents of an eligible
18 grant recipient upon receipt of written confirmation of
19 enrollment from the recipient's school of choice.

20 (3) In the event a grant recipient is no longer enrolled
21 prior to the completion of the school term, the school shall
22 send written notice thereof to the school district.

23 Section 3. The Department of Education shall, within 30 days
24 of the effective date of this section, adopt and publish such
25 guidelines and procedures as may be required to fully implement
26 Article XIII-B of the act. The initial guidelines and
27 procedures, and any amendments thereto, shall be exempt from the
28 requirements of the act of June 25, 1982 (P.L.633, No.181),
29 known as the Regulatory Review Act.

30 Section 4. This act shall take effect immediately.