

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2220 Session of  
2012

INTRODUCED BY EVERETT, BAKER, FLECK, GABLER, GINGRICH, GOODMAN,  
GROVE, HALUSKA, HARHAI, HESS, MAJOR, MILLER, O'NEILL, SONNEY,  
STABACK, STURLA, VULAKOVICH AND WHITE, FEBRUARY 22, 2012

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 22, 2012

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," in charter schools, further providing  
6 for establishment of charter school, for contents of  
7 application, for funding for charter schools, for causes for  
8 nonrenewal or termination, for cyber charter school  
9 requirements and prohibitions and for cyber charter school  
10 application.

11 The General Assembly of the Commonwealth of Pennsylvania  
12 hereby enacts as follows:

13 Section 1. Section 1717-A(i)(6) of the act of March 10, 1949  
14 (P.L.30, No.14), known as the Public School Code of 1949, added  
15 June 19, 1997 (P.L.225, No.22), is amended to read:

16 Section 1717-A. Establishment of Charter School.--\* \* \*

17 (i) \* \* \*

18 (6) In any appeal, the decision made by the local board of  
19 directors shall be reviewed by the appeal board on the record as  
20 certified by the local board of directors. The appeal board  
21 shall [give due consideration to the findings of the local board

of directors] use an arbitrary and capricious standard to review  
the decision of the local board of school directors and  
specifically articulate its reasons for agreeing or disagreeing  
with those findings in its written decision. The appeal board  
shall have the discretion to allow the local board of directors  
and the charter school applicant to supplement the record if the  
supplemental information was previously unavailable.

\* \* \*

Section 2. Section 1719-A of the act is amended by adding a  
clause to read:

Section 1719-A. Contents of Application.--An application to  
establish a charter school shall include all of the following  
information:

\* \* \*

(18) The annual or termed contractual compensation for all  
faculty, administration and staff, including salary, benefits  
and any additional compensation not specifically enumerated.

Section 3. Section 1725-A(a) of the act is amended by adding  
clauses and the section is amended by adding subsections to  
read:

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

\* \* \*

(7) (i) Except in the case of any student enrolled in a  
charter or cyber charter school on the effective date of this  
clause, a school district which offers a kindergarten program  
shall not be required to provide per pupil funding to a charter  
or cyber charter school for a student who does not meet the  
minimum requirement for the age of kindergarten established by  
the board of school directors in the student's school district

1 of residence.

2 (ii) Except in the case of any student enrolled in a charter  
3 or cyber charter school on the effective date of this clause, a  
4 school district which does not offer a kindergarten program  
5 shall not be required to provide per pupil funding to a charter  
6 or cyber charter school for a student who does not meet the  
7 minimum requirement for the age of a beginner established by the  
8 board of school directors in the student's school district of  
9 residence.

10 (8) Except in the case of a student who is enrolled in a  
11 charter school on the effective date of this clause, a school  
12 district shall be required to make a payment to a charter school  
13 of not more than one-half of the amount in clauses (2) and (3),  
14 where applicable, for each resident student who attends a half-  
15 day kindergarten program offered by the charter school.

16 \* \* \*

17 (f) (1) For the 2011-2012 school year and each school year  
18 thereafter, no charter school shall accumulate an unreserved,  
19 undesignated fund balance greater than the charter school fund  
20 balance limit, which shall be determined as follows:

|   |                                  |
|---|----------------------------------|
| 21 <u>Charter School Total Budgeted</u>         | <u>Maximum Unreserved,</u>       |
| 22 <u>Expenditures</u>                          | <u>Undesignated Fund Balance</u> |
| 23  | <u>as Percentage of Total</u>    |
| 24  | <u>Budgeted Expenditures</u>     |
| 25 <u>Less Than or Equal to \$11,999,999</u>    | <u>12%</u>                       |
| 26 <u>Between \$12,000,000 and \$12,999,999</u> | <u>11.5%</u>                     |
| 27 <u>Between \$13,000,000 and \$13,999,999</u> | <u>11%</u>                       |
| 28 <u>Between \$14,000,000 and \$14,999,999</u> | <u>10.5%</u>                     |
| 29 <u>Between \$15,000,000 and \$15,999,999</u> | <u>10%</u>                       |
| 30 <u>Between \$16,000,000 and \$16,999,999</u> | <u>9.5%</u>                      |

1 Between \$17,000,000 and \$17,999,999      9%  
2 Between \$18,000,000 and \$18,999,999      8.5%  
3 Greater Than or Equal to \$19,000,000      8%

4     (2) Any unreserved, undesignated fund balance in place on  
5 June 30, 2011, that exceeds the charter school fund balance  
6 limit shall be refunded on a pro rata basis within ninety (90)  
7 days to school districts that serve as the resident school  
8 district for the student enrolled in the charter school.

9     (g) It shall be unlawful for any charter school or cyber  
10 charter school to utilize funding received in accordance with  
11 this section for:

12     (1) any paid media advertisement, including television,  
13 radio, movie theater, billboard, bus poster, newspaper,  
14 magazine, the Internet or any other commercial method that may  
15 promote the enrollment of a cyber charter school;

16     (2) any lobbying, legislative advocacy consulting or any  
17 effort to influence Federal or State legislation or policy  
18 affecting that charter school or charter schools in general; or

19     (3) any bonuses or additional compensation beyond what is  
20 documented in section 1719-A(18) with respect to charter schools  
21 and section 1747-A(17) with respect to cyber charter schools.

22     Section 4. Section 1729-A(a.1) of the act, added July 9,  
23 2008 (P.L.846, No.61), is amended to read:

24     Section 1729-A. Causes for Nonrenewal or Termination.--\* \* \*

25     (a.1) When a charter school [located in a school district of  
26 the first class] is in corrective action status and seeks  
27 renewal of its charter, if the [governing body of the school  
28 district of the first class] local board of school directors of  
29 the school district in which the charter school is located  
30 renews the charter, it may place specific conditions in the

1 charter that require the charter school to meet specific student  
2 performance targets within stated periods of time subject to the  
3 following:

4 [(i)] (1) The performance targets and the periods of time in  
5 which the performance targets must be met shall be reasonable.

6 [(ii)] (2) The placement of conditions in a charter as  
7 specified in this subsection shall not be considered an  
8 adjudication and may not be appealed to the State Charter School  
9 Appeal Board.

10 [(iii)] (3) If the charter school fails to meet the  
11 performance targets within the stated period of time, such  
12 failure shall be sufficient cause for revocation of the charter.

13 \* \* \*

14 Section 5. Section 1743-A(a) of the act is amended by adding  
15 subsections to read:

16 Section 1743-A. Cyber charter school requirements and  
17 prohibitions.

18 \* \* \*

19 (a.1) Limitation.--A school district shall not provide the  
20 funding required in section 1725-A to a cyber charter school for  
21 any resident student attending the cyber charter school if the  
22 resident school district or intermediate unit offers a cyber  
23 school program that is available to resident students at the  
24 same grade level and same academic subject.

25 (a.2) Improper use of funding.--It shall be unlawful for any  
26 charter school or cyber charter school to utilize funding  
27 received in accordance with section 1725-A for:

28 (1) any paid media advertisement, including television,  
29 radio, movie theater, billboard, bus poster, newspaper,  
30 magazine, the Internet or any other commercial method that

1 may promote the enrollment of a cyber charter school;

2 (2) any lobbying, legislative advocacy consulting or any  
3 effort to influence Federal or State legislation or policy  
4 affecting that cyber charter school or cyber charter schools  
5 in general; or

6 (3) any bonuses or additional compensation beyond what  
7 is documented in section 1747-A(17).

8 \* \* \*

9 Section 6. Section 1747-A(a) of the act is amended by adding  
10 a paragraph to read:

11 Section 1747-A. Cyber charter school application.

12 In addition to the provisions of section 1719-A, an  
13 application to establish a cyber charter school shall also  
14 include the following:

15 \* \* \*

16 (17) The annual or termed contractual compensation for  
17 all faculty, administration and staff, including salary,  
18 benefits and any additional compensation not specifically  
19 enumerated.

20 Section 7. This act shall take effect in 60 days.