THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1883 Session of 2003

INTRODUCED BY STAIRS, JUNE 16, 2003

REFERRED TO COMMITTEE ON EDUCATION, JUNE 16, 2003

AN ACT

- 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 schools; amending, revising, consolidating and changing the 5 laws relating thereto, " requiring school districts to reopen their 2003-2004 budgets; imposing limitations on certain 7 unreserved fund balances; further providing for auxiliary service; deleting provisions relating to professional teacher 8 assessment; further providing for cost of tuition and 9 10 maintenance of certain exceptional children in approved private schools; providing for firefighter and emergency 11 12 service training; further providing for Education Support 13 Services Program, for education empowerment districts, for 14 mandate waiver program and for school improvement grants; 15 further defining "educational improvement organization" and "scholarship organization"; further providing for payments on 16 17 account of pupils enrolled in vocational curriculums and for 18 small district assistance; providing for basic education 19 funding for 2002-2003 school year; further providing for 20 payments to intermediate units, for special education 21 payments to school districts and for Commonwealth 22 reimbursements for charter schools and cyber charter schools; and making appropriations, repeals and an editorial change. 23
- 24 The General Assembly of the Commonwealth of Pennsylvania
- 25 hereby enacts as follows:
- 26 Section 1. Section 687 of the act of March 10, 1949 (P.L.30,
- 27 No.14), known as the Public School Code of 1949, is amended by
- 28 adding a subsection to read:

- 1 Section 687. Annual Budget; Additional or Increased
- 2 Appropriations; Transfer of Funds. -- * * *
- 3 (j) (1) Notwithstanding any other provisions of this act,
- 4 the board of school directors of each school district is
- 5 required to and shall reopen its 2003-2004 budget during the
- 6 month of July 2003 to reflect any increased State allocations
- 7 under sections 2502.13 and 2502.41 for fiscal year 2003-2004
- 8 provided by the General Assembly through this act and to comply
- 9 with section 688.
- 10 (2) In those school districts which levy taxes and where the
- 11 <u>increased State allocations exceed the State revenue figures</u>
- 12 <u>utilized by the school district at the time of adoption of its</u>
- 13 original fiscal year 2003-2004 budget, the board of school
- 14 directors shall first use the increase in State allocations to
- 15 <u>do any of the following:</u>
- 16 (i) offset the increase in the employer contribution rate on
- 17 <u>behalf of active members of the Public School Employees'</u>
- 18 Retirement System as calculated under 24 Pa.C.S. § 8328
- 19 (relating to actuarial cost method). Such amount shall supplant
- 20 any other school district revenues allocated for this purpose;
- 21 (ii) abate any local taxes which were levied at the time of
- 22 original budget adoption. Such tax abatements shall occur within
- 23 sixty (60) days of the reopening of the school district's budget
- 24 and may take the form of tax reductions, rebates or credits;
- 25 <u>(iii) reduce or retire any outstanding indebtedness of the</u>
- 26 <u>school district; or</u>
- 27 (iv) restore funding to any educational programs which were
- 28 reduced or eliminated for the 2003-2004 school year.
- 29 (3) Under no circumstances shall any increased State
- 30 allocations be used to increase a school district's reserved or

- 1 unreserved fund balances.
- 2 Section 2. The act is amended by adding a section to read:
- 3 Section 688. Limitations on Certain Unreserved Fund
- 4 Balances.--(a) For the 2003-2004 school year and each school
- 5 year thereafter, no school district shall approve an increase in
- 6 real property taxes unless it has adopted a budget or a reopened
- 7 budget pursuant to section 687 that includes an estimated,
- 8 <u>ending unreserved undesignated fund balance in accordance with</u>
- 9 the limitations set forth as follows:
- 10 <u>School District</u> <u>Estimated, Ending Unreserved Undesignated</u>
- 11 <u>Total Budgeted</u> <u>Fund Balance as Percentage of</u>
- 12 Expenditures Total Budgeted Expenditures
- 13 <u>Less Than or Equal to \$11,999,999</u> <u>12%</u>
- 14 Between \$12,000,000 and \$12,999,999 11.5%
- 15 <u>Between \$13,000,000 and \$13,999,999</u> <u>11%</u>
- 16 Between \$14,000,000 and \$14,999,999 10.5%
- 17 Between \$15,000,000 and \$15,999,999 10%
- 18 Between \$16,000,000 and \$16,999,999 9.5%
- 19 Between \$17,000,000 and \$17,999,999 9%
- 20 Between \$18,000,000 and \$18,999,999 8.5%
- 21 Greater Than or Equal to \$19,000,000 8%
- 22 (b) By August 15, 2003, and each year thereafter, each
- 23 school district that approves an increase in real property taxes
- 24 shall provide the Department of Education with information
- 25 certifying compliance with this section. Such information shall
- 26 be provided in a form and manner prescribed by the Department of
- 27 Education and shall include information on the school district's
- 28 <u>estimated</u>, ending unreserved undesignated fund balance expressed
- 29 <u>as a dollar amount and as a percentage of the school district's</u>
- 30 total budgeted expenditures for that school year.

- 1 (c) As used in this section, "estimated, ending unreserved
- 2 <u>undesignated fund balance</u>" shall mean that portion of the fund
- 3 balance, which is appropriable for expenditure or not legally or
- 4 otherwise segregated for a specific or tentative future use,
- 5 projected for the close of the school year for which a school
- 6 district's budget was adopted and held in the General Fund
- 7 accounts of the school district.
- 8 Section 3. Section 922.1-A of the act, amended or added
- 9 August 1, 1975 (P.L.180, No.89), April 24, 1977 (P.L.199,
- 10 No.59), October 10, 1980 (P.L.924, No.159) and May 10, 2000
- 11 (P.L.44, No.16), is reenacted to read:
- 12 Section 922.1-A. Auxiliary Services.--(a) Legislative
- 13 Finding; Declaration of Policy. The welfare of the Commonwealth
- 14 requires that the present and future generation of school age
- 15 children be assured ample opportunity to develop to the fullest,
- 16 their intellectual capacities. It is the intent of the General
- 17 Assembly by this enactment to ensure that the intermediate units
- 18 in the Commonwealth shall furnish on an equal basis auxiliary
- 19 services to all pupils in the Commonwealth in both public and
- 20 nonprofit nonpublic schools.
- 21 (b) Definitions. The following terms, whenever used or
- 22 referred to in this section, shall have the following meanings,
- 23 except in those circumstances where the context clearly
- 24 indicates otherwise:
- 25 "Auxiliary services" means guidance, counseling and testing
- 26 services; psychological services; visual services as defined in
- 27 section 923.2-A; services for exceptional children; remedial
- 28 services; speech and hearing services; services for the
- 29 improvement of the educationally disadvantaged (such as, but not
- 30 limited to, the teaching of English as a second language), and

- 1 such other secular, neutral, nonideological services as are of
- 2 benefit to all school children and are presently or hereafter
- 3 provided for public school children of the Commonwealth.
- 4 "Nonpublic school" means nonprofit school, other than a
- 5 public school within the Commonwealth of Pennsylvania, wherein a
- 6 resident of the Commonwealth may legally fulfill the compulsory
- 7 school attendance requirements of this act and which meet the
- 8 requirements of Title VI of the Civil Rights Act of 1964
- 9 (Pub.L.88-352; 42 U.S.C. Section 2000 et seq).
- 10 (c) Program of Auxiliary Services. Students attending
- 11 nonpublic schools shall be furnished a program of auxiliary
- 12 services which are provided to public school students in the
- 13 school district in which their nonpublic school is located. The
- 14 program of auxiliary services shall be provided by the
- 15 intermediate unit in which the nonpublic school is located, in
- 16 accordance with standards of the Secretary of Education. Before
- 17 an intermediate unit makes any decision that affects the
- 18 opportunities for children attending nonpublic schools to
- 19 participate in the auxiliary services provided under this
- 20 section, the intermediate unit shall consult with such nonpublic
- 21 schools to determine at a minimum: which general categories of
- 22 children shall receive services; what services shall be
- 23 provided; how and where the services shall be provided; and how
- 24 the services shall be evaluated. Such services shall be provided
- 25 directly to the nonpublic school students by the intermediate
- 26 unit in the schools which the students attend, in mobile
- 27 instructional units located on the grounds of such schools or in
- 28 any alternative setting mutually agreed upon by the school and
- 29 the intermediate unit, to the extent permitted by the
- 30 Constitution of the United States and the Constitution of the

- 1 Commonwealth of Pennsylvania.
- 2 Such auxiliary services shall be provided directly by the
- 3 intermediate units and no auxiliary services presently provided
- 4 to public school students by the intermediate units and/or
- 5 school districts by means of State or local revenues, during the
- 6 school year 1974-1975, shall be eliminated. No school districts
- 7 shall be required, pursuant to any section of this act, to offer
- 8 auxiliary services provided by any other school districts within
- 9 such intermediate units.
- 10 (d) Allocations. In July of 1977 and annually thereafter in
- 11 July, the Secretary of Education shall allocate to each
- 12 intermediate unit an amount equal to the number of nonpublic
- 13 school students as of October 1 of the preceding school year who
- 14 are enrolled in nonpublic schools within the intermediate unit
- 15 times seventy-two dollars (\$72). The Secretary of Education
- 16 shall increase this figure on a proportionate basis whenever
- 17 there is an increase in the median actual instruction expense
- 18 per WADM as defined in clause (12.1) of section 2501 of this
- 19 act. The Commonwealth shall pay to each intermediate unit
- 20 fifteen per centum (15%) of its allocation on August 1, seventy-
- 21 five per centum (75%) on October 1, and the remaining ten per
- 22 centum (10%) on the first day of February.
- 23 (e) Limitations. The intermediate unit shall not use more
- 24 than six per centum (6%) of the funds it receives for
- 25 administration or eighteen per centum (18%) for rental of
- 26 facilities. The Department of Education shall not use more than
- 27 one per centum (1%) of the funds it allocates under this section
- 28 for administrative expenses. If all funds allocated by the
- 29 intermediate units to administration, or rental facilities are
- 30 not expended for those purposes, such funds may be used for the

- 1 program costs.
- 2 (f) Interest. There shall be no adjustment in the allocation
- 3 as provided in subsection (d) because of interest earned on the
- 4 allocations by the intermediate units. Interest so earned shall
- 5 be used for the purpose of this section but shall not be subject
- 6 to the limitations of subsection (e).
- 7 (g) Preliminary Budget. Annually, each intermediate unit
- 8 shall submit to the secretary a preliminary budget on or before
- 9 January 31 and a final budget on or before June 15, for the
- 10 succeeding year; and shall file a final financial report on or
- 11 before October 31 for the preceding year.
- 12 Section 3.1. Article XII-A of the act is repealed.
- 13 Section 4. Section 1376 of the act, amended June 7, 1993
- 14 (P.L.49, No.16), June 30, 1995 (P.L.220, No.26) and June 22,
- 15 2001 (P.L.530, No.35), is amended to read:
- 16 Section 1376. Cost of Tuition and Maintenance of Certain
- 17 Exceptional Children in Approved Institutions. -- (a) When any
- 18 child between school entry age and twenty-one (21) years of age
- 19 and resident in this Commonwealth, who is blind or deaf, or has
- 20 cerebral palsy and/or neurological impairment and/or muscular
- 21 dystrophy and/or is mentally retarded and/or has a serious
- 22 emotional disturbance and/or has autism/pervasive developmental
- 23 disorder and is enrolled, with the approval of the Department of
- 24 Education, as a pupil in an approved private school approved by
- 25 the Department of Education, in accordance with standards and
- 26 regulations promulgated by the State Board of Education, the
- 27 school district in which such child is resident or, for students
- 28 placed by a charter school, the charter school in which the
- 29 student was enrolled shall pay the greater of either twenty per
- 30 centum (20%) of the actual audited cost of tuition and

- 1 maintenance of such child in such school, as determined by the
- 2 Department of Education, or its "tuition charge per elementary
- 3 pupil" or its "tuition charge per high school pupil," as
- 4 calculated pursuant to section 2561, and the Commonwealth shall
- 5 pay, out of funds appropriated to the department for special
- 6 education, the balance due for the costs of such child's tuition
- 7 and maintenance, as determined by the department. For the school
- 8 years 1989-1990, 1990-1991 and 1991-1992, the school district
- 9 payment shall be no greater than forty percent (40%) of the
- 10 actual audited costs of tuition and maintenance of such child in
- 11 such school. For the 1992-1993 school year and each school year
- 12 thereafter, the school district or charter school payment shall
- 13 be the greater of forty percent (40%) of the actual audited
- 14 costs of tuition and maintenance of such child in such school,
- 15 as determined by the Department of Education, or its "tuition
- 16 charge per elementary pupil" or its "tuition charge per high
- 17 school pupil," as calculated pursuant to section 2561, and the
- 18 Commonwealth shall pay, out of funds appropriated to the
- 19 department for approved private schools, the balance due for the
- 20 costs of such child's tuition and maintenance, as determined by
- 21 the department. The department will credit the district of
- 22 residence with average daily membership for such child
- 23 consistent with the rules of procedure developed in accordance
- 24 with section 2501. If the residence of such child in a
- 25 particular school district cannot be determined, the
- 26 Commonwealth shall pay, out of moneys appropriated to the
- 27 department for special education, the whole cost of tuition and
- 28 maintenance of such child. [The Department of Education shall be
- 29 provided with such financial data from approved private schools
- 30 as may be necessary to determine the reasonableness of costs for

- 1 tuition and room and board concerning Pennsylvania resident
- 2 approved reimbursed students. The Department of Education shall
- 3 evaluate such data and shall disallow any cost deemed
- 4 unreasonable. Any costs deemed unreasonable by the Department of
- 5 Education for disallowance shall be considered an adjudication
- 6 within the meaning of Title 2 of the Pa.C.S. (relating to
- 7 administrative law and procedure) and regulations promulgated
- 8 thereunder. 1
- 9 (b) When any person less than school entry age or more than
- 10 twenty-one (21) years of age and resident in this Commonwealth,
- 11 who is blind or deaf, or has cerebral palsy and/or has
- 12 neurological impairment and/or has muscular dystrophy, or has
- 13 autism/pervasive developmental delay, and is enrolled, with the
- 14 approval of the Department of Education, as a pupil in an
- 15 approved private school approved by the Department of Education,
- 16 the Commonwealth shall pay to such school, out of moneys
- 17 appropriated to the department for special education, the actual
- 18 audited cost of tuition and maintenance of such person, as
- 19 determined by the Department of Education, subject to review and
- 20 approval in accordance with standards and regulations
- 21 promulgated by the State Board of Education in accordance with
- 22 <u>subsection (b.1)</u>, and in addition, in the case of any child less
- 23 than school entry age, who is blind, the cost, as determined by
- 24 the Department of Education of instructing the parent of such
- 25 blind child in caring for such child.
- 26 (b.1) For the 2004-2005 school year and each school year
- 27 thereafter, an approved private school shall submit to the
- 28 Department of Education its budgeted costs for the upcoming
- 29 school year. Based upon this information and the prior year's
- 30 settled audit, the Department of Education shall develop an

- 1 <u>interim reimbursement rate for the approved private school. The</u>
- 2 Department of Education shall provide the approved private
- 3 school with monthly payments in advance of the final cost
- 4 <u>settlement as provided for in subsection (c.2). The Department</u>
- 5 of Education shall adopt final reimbursement rates based on the
- 6 final cost settlement. The Department of Education may withhold
- 7 a portion of such payments not exceeding five percent (5%) of
- 8 such payment, pending final cost settlement. In no event shall
- 9 <u>either the payments made in advance of the final cost settlement</u>
- 10 or final reimbursements based on the final cost settlement made
- 11 by the Department of Education exceed the appropriation
- 12 <u>available for approved private schools.</u>
- [(c) Each approved private school, prior to the start of the
- 14 school year, shall submit to the department such information as
- 15 the department may require in order to establish an estimate of
- 16 reimbursable costs. Based upon this information, any other data
- 17 deemed necessary by the department and in accordance with
- 18 department standards, the department shall develop for each
- 19 approved private school an estimate of reimbursable costs. Based
- 20 upon such estimate, the department shall provide each approved
- 21 private school with monthly payments in advance of department
- 22 audit. The department may withhold a portion of such payments
- 23 not exceeding five percent (5%) of such payment, pending final
- 24 audit. In no event shall either the advance payments or final
- 25 reimbursement made by the department following audit exceed the
- 26 appropriation available for approved private schools.]
- 27 (c.1) Any funds remaining from the appropriation line items
- 28 "for special education approved private schools" or for
- 29 Pennsylvania Charter Schools for the Deaf and Blind from the
- 30 general appropriations acts for fiscal years 1978-1979 and each

- 1 fiscal year thereafter shall be transferred by the State
- 2 Treasurer into a restricted account (continuing appropriation)
- 3 for audit resolution which is hereby established. The Department
- 4 of Education shall also deposit into this restricted account any
- 5 funds returned to or recovered by the department from approved
- 6 private schools or chartered schools for overpayments during
- 7 fiscal years 1978-1979 and each fiscal year thereafter. The
- 8 funds in the restricted account are hereby appropriated upon
- 9 approval of the Governor to the Department of Education for
- 10 payments to approved private schools for audit resolutions for
- 11 fiscal years 1978-1979 and each fiscal year thereafter. Funds in
- 12 this restricted account shall not be subject to the limitations
- 13 in subsection [(c)] (b.1) which prohibit advance payments and
- 14 final reimbursement from exceeding the appropriation available
- 15 for approved private schools. During the 1995-1996 fiscal year
- 16 and during each fiscal year thereafter, the Department of
- 17 Education shall review the activity in the restricted account
- 18 and may recommend that the Governor authorize the lapsing into
- 19 the General Fund of any funds that are estimated not to be
- 20 needed for audit resolution.
- 21 (c.2) The Department of Education shall establish procedures
- 22 and audit standards to govern the scope of reportable costs, the
- 23 methods used to examine costs and determine allowability and
- 24 timeliness of cost reporting. For the 2004-2005 school year and
- 25 <u>each school year thereafter, cost reports shall be prepared by</u>
- 26 an approved private school and audited by the approved private
- 27 school's independent public accountant. Such cost reports shall
- 28 be prepared in accordance with established procedures and audit
- 29 standards and delivered to the Department of Education within
- 30 six (6) months after the conclusion of the school year. The

- 1 Department of Education shall have six (6) months to process
- 2 these cost reports and settle any outstanding payments due to or
- 3 from the approved private school. Nothing in this subsection
- 4 shall be construed to preclude the Department of Education from
- 5 conducting its own audits on a periodic basis. Where the
- 6 Department of Education conducts such audits, the audits must be
- 7 completed within one (1) year of the cost report deadline and
- 8 may not delay the allowable period for settlement of any
- 9 payments due to or from the approved private school. Audits of
- 10 cost reports submitted for school years prior to the 2004-2005
- 11 school year shall be completed in a manner consistent with prior
- 12 <u>audit practices</u>.
- 13 (d) No private institution receiving payment in accordance
- 14 with this section shall impose any charge on the student and/or
- 15 parents who are Pennsylvania approved reimbursable residents for
- 16 a program of individualized instruction and maintenance
- 17 appropriate to the child's needs; except that charges for
- 18 services not part of such program may be made if agreed to by
- 19 the parents.
- 20 [(e) (1) The Education Committees of the Senate and House
- 21 of Representatives are directed to jointly examine the issues of
- 22 the funding of approved private schools and special education
- 23 students' access to approved private schools as part of the full
- 24 continuum of special education placements. The committees'
- 25 examination should address, at a minimum, the following issues:
- 26 (i) The funding methodology which supports the school
- 27 district's responsibility for individualized, appropriate
- 28 educational services to special education students through
- 29 access to the most comprehensive continuum of educational
- 30 options and settings.

- 1 (ii) The role of the approved private school in the mandated
- 2 continuum of special education services available to students in
- 3 Pennsylvania.
- 4 (iii) The relative roles of the Department of Education and
- 5 school districts to ensure free appropriate public education
- 6 (FAPE) through adequate funding and appropriate distribution of
- 7 comprehensive services.
- 8 (iv) The provisions of the Individuals with Disabilities
- 9 Education Act (IDEA) (P.L.101-476), the Cordero Court Orders,
- 10 this act and 22 Pa. Code Chs. 14 and 342 as they relate to the
- 11 provision of programs and services to special education students
- 12 should be carefully reviewed as they pertain to approved private
- 13 schools, continuum of placement options, funding, FAPE and other
- 14 pertinent issues.
- 15 (2) The committees shall report back to the General Assembly
- 16 by November 15, 1993, with legislative and/or administrative
- 17 recommendations. The committees may hold such meetings and
- 18 hearings as they deem appropriate to accomplish the provisions
- 19 of this subsection.]
- 20 Section 5. The act is amended by adding a section to read:
- 21 <u>Section 1550. Firefighter and Emergency Service Training.--</u>
- 22 (a) Beginning with the 2003-2004 school year and each school
- 23 year thereafter, a school district may offer firefighter and
- 24 emergency service training as credit-earning courses to students
- 25 of the age of sixteen (16) years or older. Such courses may
- 26 <u>include:</u>
- 27 (1) Training as a Firefighter I from the National Board on
- 28 Fire Service Professional Qualifications.
- 29 (2) Training as an emergency medical technician by the
- 30 Department of Health under the act of July 3, 1985 (P.L.164,

- 1 No.45), known as the "Emergency Medical Services Act."
- 2 (b) A school district that offers firefighter and emergency
- 3 service training as credit-earning courses shall provide
- 4 transportation to and supervision during any firefighter and
- 5 emergency service training program that takes place off school
- 6 grounds. Supervision of training shall be conducted as a
- 7 cooperative education program in accordance with the provisions
- 8 of 22 Pa. Code § 11.28 (relating to out-of-school programs).
- 9 Section 6. Section 1501-C of the act, amended June 29, 2002
- 10 (P.L.524, No.88), is reenacted to read:
- 11 Section 1501-C. Definitions.
- 12 The following words and phrases when used in this article
- 13 shall have the meanings given to them in this section unless the
- 14 context clearly indicates otherwise:
- 15 "Department." The Department of Education of the
- 16 Commonwealth.
- 17 "Eligible student." A resident of this Commonwealth who is
- 18 enrolled in third, fourth, fifth or sixth grade in a school
- 19 entity and is deemed eligible pursuant to section 1502-C(b).
- 20 "Eligibility test." The Pennsylvania System of School
- 21 Assessment or a commercially prepared, standardized achievement
- 22 test approved by the Department of Education. A list of approved
- 23 tests under this article shall be published annually in the
- 24 Pennsylvania Bulletin.
- 25 "Grant." A grant awarded to a grant recipient under this
- 26 article.
- 27 "Grant recipient." A resident of this Commonwealth who is a
- 28 parent, guardian or person in parental relation to an eligible
- 29 student.
- 30 "Program." The Education Support Services Program

- 1 established in section 1502-C.
- 2 "Provider." A school entity, an institution of higher
- 3 education, a nonprofit or for-profit organization or a certified
- 4 teacher employed by a school entity, that is approved by the
- 5 Department of Education to provide education support services.
- 6 "School entity." Any of the following located in this
- 7 Commonwealth: a school district, intermediate unit, joint school
- 8 district, area vocational-technical school, charter school,
- 9 independent school, licensed private academic school, accredited
- 10 school, a school registered under section 1327(b), the Scotland
- 11 School for Veterans' Children or the Scranton School for the
- 12 Deaf.
- 13 Section 7. Sections 1502-C, 1503-C and 1504-C, of the act,
- 14 added May 17, 2001 (P.L.4, No.4), are reenacted to read:
- 15 Section 1502-C. Establishment of program.
- 16 (a) Establishment.--The Education Support Services Program
- 17 is established within the department to provide individual or
- 18 small group instruction in reading and mathematics to strengthen
- 19 the skills that an eliqible student needs to achieve the
- 20 standards in 22 Pa. Code Ch. 4 (relating to academic standards
- 21 and assessment), which shall be provided at a time other than
- 22 the regularly scheduled school hours.
- 23 (b) Eligibility. -- The department shall utilize the
- 24 Pennsylvania System of School Assessment test or other test
- 25 results to identify eligible students under this article. Scores
- 26 used to determine eligible students in each grade shall be
- 27 published annually in the Pennsylvania Bulletin.
- 28 (c) Approval.--A provider must be approved by the department
- 29 in order to provide education support services under this
- 30 article.

- 1 Section 1503-C. Application and approval.
- 2 (a) Application. -- A prospective grant recipient shall apply
- 3 annually to the department for a grant to purchase education
- 4 support services for an eligible student from an approved
- 5 provider in a time and manner prescribed by the department.
- 6 (b) Required information. -- An application submitted under
- 7 this section shall include verification of the eligibility test
- 8 results and such other information as the department may
- 9 require.
- 10 Section 1504-C. Powers and duties of the department.
- 11 The department shall:
- 12 (1) Establish criteria to annually identify eligible
- 13 students in grades three, four, five and six to participate
- in the program under section 1502-C.
- 15 (2) Approve providers of education support services.
- 16 (3) Adopt standards, procedures and quidelines to be
- used to approve providers of education support services under
- 18 this article.
- 19 (4) Award grants to a grant recipient in an amount not
- to exceed \$500 per fiscal year for each eligible student.
- 21 (5) Establish minimum qualifications for individuals
- 22 utilized by providers of education support services.
- 23 (6) Establish periods during which applications will be
- reviewed to accommodate the dates when results of approved
- 25 eligibility tests become available.
- 26 Section 8. Section 1505-C of the act, amended June 29, 2002
- 27 (P.L.524, No.88), is reenacted to read:
- 28 Section 1505-C. Providers.
- 29 A prospective provider shall submit an application to the
- 30 department for approval to provide education support services

- 1 under this article. The application shall include a description
- 2 of the services to be provided, the cost of the services, the
- 3 qualification of all individuals providing those services,
- 4 including evidence of compliance with section 111 and with 23
- 5 Pa.C.S. § 6355 (relating to requirement), and such other
- 6 information as may be required by the department.
- 7 Section 9. Sections 1506-C, 1507-C, 1508-C, 1509-C, 1510-C
- 8 and 1511-C of the act, added May 17, 2001 (P.L.4, No.4), are
- 9 reenacted to read:
- 10 Section 1506-C. Notification of program.
- 11 A school entity in this Commonwealth with students enrolled
- 12 in third, fourth, fifth or sixth grade shall notify parents of
- 13 the availability of education support services at such time as
- 14 the parents receive the results of any eligibility test.
- 15 Section 1507-C. Payment of grants.
- 16 (a) Certificates.--A certificate for education support
- 17 services under this article shall be issued by the department in
- 18 an amount authorizing up to \$500 for each eligible student
- 19 identified on the certificate. The certificate shall be issued
- 20 to the grant recipient and shall be valid only for the fiscal
- 21 year in which it is issued. After receiving the certificate from
- 22 a grant recipient, the provider shall include the following
- 23 information on the certificate: name of eligible student served,
- 24 type of instruction, date and length of instruction and cost of
- 25 instruction provided to the eligible student. When the amount of
- 26 the certificate has been utilized or when the eligible student
- 27 is no longer receiving education support services from the
- 28 provider, the provider shall return the completed certificate to
- 29 the grant recipient for submission to the department for
- 30 payment. The department shall make payment directly to the grant

- 1 recipient for the amount due. Grant recipients must send all
- 2 outstanding certificates to the department for payment no later
- 3 than 90 days after receiving the completed certificate from the
- 4 provider.
- 5 (b) Penalty for grant recipients. -- A grant recipient who
- 6 knowingly defrauds the Commonwealth by receiving reimbursement
- 7 for education support services not rendered to the eligible
- 8 student and grant recipient identified on the certificate
- 9 commits a misdemeanor of the third degree and shall, upon
- 10 conviction, be sentenced to pay a fine of not more than \$1,000
- 11 per violation and shall be disqualified from eligibility for an
- 12 additional grant for a period of not less than five years.
- 13 (c) Penalty for providers.--A provider that knowingly
- 14 violates section 1509-C or knowingly defrauds the Commonwealth
- 15 by receiving reimbursement for education support services not
- 16 rendered to the eligible student and grant recipient identified
- 17 on the certificate commits a misdemeanor of the third degree and
- 18 shall, upon conviction, be sentenced to pay a fine of not more
- 19 than \$1,000 per violation and shall be barred from participation
- 20 in the program for not less than five years.
- 21 Section 1508-C. Limitations.
- 22 (a) Amount.--The amount of grants provided under this
- 23 article in a fiscal year shall be limited to the funds
- 24 appropriated for that purpose. No more than 10% of the total
- 25 funds appropriated for this program in any fiscal year shall be
- 26 awarded to grant recipients within a specific school district
- 27 except that, if the department determines that all school
- 28 entities in the Commonwealth have had an opportunity to
- 29 participate in the program and that funds remain available, it
- 30 may waive the 10% limitation under this subsection.

- 1 (b) Availability of funds.--In the event that the funds
- 2 appropriated in any fiscal year are insufficient to provide
- 3 grants to all grant recipients, grants shall be awarded on a
- 4 first-come, first-served basis. The department shall hold a
- 5 portion of the funds in reserve to ensure that money is
- 6 available for each application period established under section
- 7 1504-C(6).
- 8 Section 1509-C. Confidentiality.
- 9 Nothing in this article shall authorize the department, a
- 10 school entity or a provider to release or otherwise utilize
- 11 student identifiable information or individual student test
- 12 scores for purposes other than the administration of this
- 13 article.
- 14 Section 1510-C. Nontaxable income.
- 15 A grant received by a grant recipient shall not be considered
- 16 to be taxable income for the purposes of Article III of the act
- 17 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
- 18 1971.
- 19 Section 1511-C. Applicability.
- 20 Services provided under this article do not constitute
- 21 tutoring or instruction under the act of January 28, 1988
- 22 (P.L.24, No.11), known as the Private Academic Schools Act.
- 23 Section 10. Section 1705-B(h)(4) of the act, amended June
- 24 29, 2002 (P.L.524, No.88) and December 9, 2002 (P.L.1472,
- 25 No.187), is amended to read:
- 26 Section 1705-B. Education Empowerment Districts.--* * *
- 27 (h) * * *
- 28 (4) The department may utilize up to \$2,000,000 of
- 29 undistributed funds not expended, encumbered or committed from
- 30 appropriations for grants and subsidies made to the department

- 1 to assist school districts certified as an education empowerment
- 2 district under paragraph (3). There is hereby established a
- 3 restricted account from which payments under this paragraph
- 4 shall be paid. Funds shall be transferred by the Secretary of
- 5 the Budget to the restricted account to the extent necessary to
- 6 make payments under this paragraph. Funds in the restricted
- 7 account are hereby appropriated to carry out the purposes of
- 8 this paragraph. The subsidy payment from this account shall be
- 9 utilized to supplement the operational budget of the eligible
- 10 school districts. This paragraph shall apply to fiscal years
- 11 2000-2001, 2001-2002 [and], 2002-2003 and 2003-2004 and shall
- 12 expire June 30, [2003] <u>2004</u>.
- Section 11. Section 1709-B of the act, added May 10, 2000
- 14 (P.L.44, No.16), is reenacted to read:
- 15 Section 1709-B. School Improvement Grants.--(a) The
- 16 department shall establish a program of annual school
- 17 improvement grants for school districts on the education
- 18 empowerment list or certified as an education empowerment
- 19 district to assist in the implementation of their school
- 20 district improvement plans.
- 21 (b) Grants shall be limited to the amount appropriated for
- 22 that purpose.
- 23 (c) Grants shall be provided annually to the school district
- 24 for use as directed by the school district empowerment team or
- 25 the board of control in implementing the school district
- 26 improvement plan developed pursuant to sections 1703-B and 1706-
- 27 B as follows:
- 28 (1) To purchase instructional materials, including
- 29 textbooks, technology and related educational materials and
- 30 supplies.

- 1 (2) To reduce class size in kindergarten through grade
- 2 three.
- 3 (3) To establish after-school, summer and weekend programs.
- 4 (4) To establish or expand full-day kindergarten program.
- 5 (5) To fund curriculum development.
- 6 (6) To fund enhanced staff professional development.
- 7 (7) To fund any other program contained in the school
- 8 district improvement plan.
- 9 (d) Subject to the requirements of this section, each
- 10 qualifying school district shall receive a base annual grant of
- 11 four hundred fifty thousand dollars (\$450,000) and an additional
- 12 grant of up to seventy-five dollars (\$75) per average daily
- 13 membership for the prior school year of the school district. The
- 14 school district or the board of control shall give priority in
- 15 allocating the grant funding received under this section to the
- 16 individual schools identified pursuant to sections 1703-B(b) and
- 17 1706-B(b).
- 18 (e) The department shall set forth the specific allowable
- 19 uses for grant funds and place conditions, as necessary, on the
- 20 use of grant funds. The department shall establish
- 21 accountability procedures and auditing guidelines to ensure that
- 22 grant funds are utilized in accordance with the allowable uses
- 23 and conditions.
- 24 (f) A school district receiving a grant under this section
- 25 shall be required to maintain separate accounts in that school
- 26 district's budget to facilitate monitoring the use of these
- 27 grant funds. In no case shall a school district use more than
- 28 five per centum of the grant funds for administrative costs.
- 29 (g) The department shall reduce the amount of a State
- 30 subsidy payment to a school district by the amount of any grant

- 1 funds provided under this section if the school district does
- 2 not use the grant funds in accordance with the allowable uses
- 3 and conditions set forth by the department.
- 4 Section 12. Section 1714-B(g) of the act, added May 10, 2000
- 5 (P.L.44, No.16), is amended to read:
- 6 Section 1714-B. Mandate Waiver Program.--* * *
- 7 (g) The following provisions of this act shall not be
- 8 subject to waiver pursuant to this section: sections 108, 110,
- 9 111, 321, 322, 323, 324, 325, 326, 327, 431, 436, 437, 440.1,
- 10 443, 510, 513, 518, 527, <u>687, 688,</u> 701.1, 708, 736, 737, 738,
- 11 739, 740, 741, 752, 753, 755, 771, 776, 777, 808, 809, 810,
- 12 1303(a), 1310, 1317, 1317.1, 1317.2, 1318, 1327, 1327.1, 1330,
- 13 1332, 1361, 1366, 1501, 1502, 1513, 1517, 1518, 1521, 1523, 1546
- 14 and 1547; provisions prohibiting discrimination; Articles VI,
- 15 XI, XI-A, XII, XIII-A, XIV and XVII-A and this article.
- 16 * * *
- 17 Section 13. The definition of "educational improvement
- 18 organization" and "scholarship organization" in section 2002-B
- 19 of the act, added May 17, 2001 (P.L.4, No.4), are amended to
- 20 read:
- 21 Section 2002-B. Definitions.
- The following words and phrases when used in this article
- 23 shall have the meanings given to them in this section unless the
- 24 context clearly indicates otherwise:
- 25 * * *
- 26 "Educational improvement organization." A nonprofit entity
- 27 which:
- 28 (1) is exempt from Federal taxation under section
- 29 501(c)(3) of the Internal Revenue Code of 1986 (Public Law
- 30 99-514, 26 U.S.C. § 1 et seq.); and

- 1 (2) contributes at least 80% of its annual receipts as
- 2 grants to a public school for innovative educational
- 3 programs.
- 4 For purposes of this definition, a nonprofit entity
- 5 <u>"contributes" its annual cash receipts when it expends or</u>
- 6 otherwise irrevocably encumbers those funds for expenditure
- 7 during the then current fiscal year of the nonprofit entity or
- 8 <u>during the next succeeding fiscal year of the nonprofit entity.</u>
- 9 * * *
- 10 "Scholarship organization." A nonprofit entity which:
- 11 (1) is exempt from Federal taxation under section
- 12 501(c)(3) of the Internal Revenue Code of 1986 (Public Law
- 13 99-514, 26 U.S.C. § 1 et seq.); and
- 14 (2) contributes at least 80% of its annual <u>cash</u> receipts
- to a scholarship program.
- 16 For purposes of this definition, a nonprofit entity
- 17 "contributes" its annual cash receipts to a scholarship program
- 18 when it expends or otherwise irrevocably encumbers those funds
- 19 for distribution during the then current fiscal year of the
- 20 nonprofit entity or during the next succeeding fiscal year of
- 21 the nonprofit entity.
- 22 * * *
- 23 Section 14. Section 2502.8 of the act, amended June 22, 2001
- 24 (P.L.530, No. 35), is reenacted to read:
- 25 Section 2502.8. Payments on Account of Pupils Enrolled in
- 26 Vocational Curriculums. -- (a) For the purpose of reimbursement
- 27 in accordance with this section, vocational curriculums are
- 28 agriculture education, distributive education, health
- 29 occupations education, home economics education (gainful),
- 30 business education, technical education, trade and industrial

- 1 education, or any other occupational oriented program approved
- 2 by the Secretary of Education.
- 3 (b) For the 1981-1982 school year through the 1984-1985
- 4 school year, each school district so entitled shall be paid, in
- 5 addition to any other subsidy to which it is entitled, an amount
- 6 on account of resident pupils enrolled in vocational
- 7 curriculums; for the 1985-1986 school year through the 1999-2000
- 8 school year, each school district and area vocational-technical
- 9 school shall be paid an amount on account of students enrolled
- 10 in vocational curriculums; for the 2000-2001 school year and
- 11 each school year thereafter, each school district, area
- 12 vocational-technical school and charter school shall be paid an
- 13 amount on account of students enrolled in vocational
- 14 curriculums, determined as follows:
- 15 (1) Determine the increase in the weighted average daily
- 16 membership by multiplying the number of students in average
- 17 daily membership in vocational curriculums in area vocational-
- 18 technical schools by twenty-one hundredths (.21) and the number
- 19 of students in average daily membership in school district and
- 20 charter school vocational curriculums by seventeen hundredths
- 21 (.17).
- 22 (2) Multiply the lesser of the district's actual instruction
- 23 expense per weighted average daily membership or the base earned
- 24 for reimbursement by the market value/income aid ratio or by
- 25 three hundred seventy-five thousandths (.375), whichever is
- 26 greater.
- 27 (3) Multiply the increase in weighted average daily
- 28 membership determined in clause (1) by the result of clause (2).
- 29 (4) For the 1985-1986 through 1999-2000 school years, the
- 30 Commonwealth shall pay the amount required by this section to

- 1 the school district or area vocational-technical school which
- 2 provides the program upon which reimbursement is based.
- 3 (5) For the 2000-2001 school year and each school year
- 4 thereafter, the Commonwealth shall pay the amount required under
- 5 this section to the school district, area vocational-technical
- 6 school or charter school which provides the programs upon which
- 7 reimbursement is based.
- 8 (c) For the school year 1998-1999, any additional funding
- 9 provided by the Commonwealth over the amount provided for the
- 10 school year 1997-1998 will be distributed to area vocational-
- 11 technical schools and to school districts with eight (8) or more
- 12 vocational programs based on subsection (b).
- 13 (d) For the school year 1999-2000, any additional funding
- 14 provided by the Commonwealth over the amount provided for the
- 15 school year 1998-1999 will be distributed to area vocational-
- 16 technical schools, to school districts with eight (8) or more
- 17 vocational programs and to school districts offering a
- 18 vocational agricultural education program, based on subsection
- 19 (b).
- 20 (e) For the school year 2000-2001 and each school year
- 21 thereafter, any additional funding provided by the Commonwealth
- 22 over the amount provided for the school year 1998-1999 will be
- 23 distributed to area vocational-technical schools, to school
- 24 districts and charter schools with eight (8) or more vocational
- 25 programs and to school districts and charter schools offering a
- 26 vocational agricultural education program based on subsection
- 27 (b).
- Section 15. Section 2502.13 of the act, amended June 29,
- 29 2002 (P.L.524, No.88), is amended to read:
- 30 Section 2502.13. Small District Assistance.--For the 1984-

- 1 1985 and 1985-1986 school years, the Commonwealth shall pay to
- 2 each school district which has an average daily membership of
- 3 one thousand five hundred (1,500) or less and has a market
- 4 value/income aid ratio of five thousand ten-thousandths (0.5000)
- 5 or greater, an amount equal to fifty dollars (\$50) multiplied by
- 6 that district's average daily membership. For the 1985-1986
- 7 school year, no school district shall receive less on account of
- 8 this section than it did for the 1984-1985 school year. For the
- 9 school year 1986-1987, the Commonwealth shall pay to each school
- 10 district which has an average daily membership of one thousand
- 11 five hundred (1,500) or less and has a market value/income aid
- 12 ratio of five thousand ten-thousandths (0.5000) or greater, or
- 13 received payments under this section for the 1985-1986 school
- 14 year, an amount equal to seventy-five dollars (\$75) multiplied
- 15 by that district's average daily membership. For the school year
- 16 1987-1988, the Commonwealth shall pay to each school district
- 17 which has an average daily membership of one thousand five
- 18 hundred (1,500) or less and a market value/income aid ratio of
- 19 five thousand ten-thousandths (0.5000) or greater, or received
- 20 payments under this section for the 1986-1987 school year, an
- 21 amount equal to eighty-five dollars (\$85) multiplied by that
- 22 district's average daily membership. For the school year 1988-
- 23 1989, the Commonwealth shall pay to each school district which
- 24 has an average daily membership of one thousand five hundred
- 25 (1,500) or less and a market value/income aid ratio of five
- 26 thousand ten thousandths (0.5000) or greater, or received
- 27 payments under this section for the 1987-1988 or 1988-1989
- 28 school year, an amount equal to one hundred five dollars (\$105).
- 29 For the school year 1989-1990, the Commonwealth shall pay to
- 30 each school district which has an average daily membership of

- 1 one thousand five hundred (1,500) or less and a market
- 2 value/income aid ratio of five thousand ten-thousandths (0.5000)
- 3 or greater, or received payments under this section for the
- 4 1987-1988 school year, an amount equal to one hundred fifteen
- 5 dollars (\$115) multiplied by the district's average daily
- 6 membership as provided for in section 212 of the act of July 1,
- 7 1990 (P.L.1591, No.7A), known as the "General Appropriation Act
- 8 of 1990." For the school year 1990-1991, the Commonwealth shall
- 9 pay to each school district which has an average daily
- 10 membership of one thousand five hundred (1,500) or less and a
- 11 market value/income aid ratio of five thousand ten-thousandths
- 12 (0.5000) or greater, or received payments under this section for
- 13 the prior school year, an amount equal to one hundred seventy
- 14 dollars (\$170) multiplied by that district's average daily
- 15 membership. For the school year 1990-1991, each school district
- 16 with a population per square mile of less than ninety (90),
- 17 which otherwise meets the average daily membership and market
- 18 value/income aid ratio requirements of this section, or received
- 19 payments under this section for the prior school year, shall
- 20 instead receive an amount equal to one hundred ninety dollars
- 21 (\$190) multiplied by that district's average daily membership.
- 22 For the 1987-1988 school year through the 1990-1991 school year,
- 23 no school district shall receive less on account of this section
- 24 than it did for the prior school year. For the school year 1994-
- 25 1995, the Commonwealth shall pay to each school district which
- 26 has an average daily membership of one thousand five hundred
- 27 (1,500) or less and a market value/income aid ratio of five
- 28 thousand ten-thousandths (0.5000) or greater, an amount equal to
- 29 ninety five dollars (\$95) multiplied by that district's average
- 30 daily membership. For each of the school years 1997-1998 through

- 1 1999-2000, the Commonwealth shall pay to each school district
- 2 which has an average daily membership of one thousand five
- 3 hundred (1,500) or less and a market value/income aid ratio of
- 4 five thousand ten-thousandths (0.5000) or greater an amount
- 5 equal to seventy-five dollars (\$75) multiplied by that
- 6 district's average daily membership. For the school years 2000-
- 7 2001 [and], 2001-2002 and 2002-2003, the Commonwealth shall pay
- 8 to each school district which has an average daily membership of
- 9 one thousand five hundred (1,500) or less an amount equal to
- 10 seventy-five dollars (\$75) multiplied by that district's average
- 11 daily membership.
- 12 Section 16. The act is amended by adding a section to read:
- 13 <u>Section 2502.41. Basic Education Funding for 2002-2003</u>
- 14 School Year.--For the 2002-2003 school year, the Commonwealth
- 15 shall pay to each school district a basic education funding
- 16 <u>allocation which shall consist of the following:</u>
- 17 (1) An amount equal to the basic education funding
- 18 allocation for the 2001-2002 school year pursuant to sections
- 19 2502.13 and 2502.40.
- 20 (2) A base supplement calculated as follows:
- 21 (i) Multiply the school district's 2003-2004 market
- 22 value/income aid ratio by its 2002-2003 average daily
- 23 membership.
- 24 (ii) Multiply the product from subparagraph (i) by fifty
- 25 <u>million dollars (\$50,000,000)</u>.
- 26 (iii) Divide the product from subparagraph (ii) by the sum
- 27 of the products of the 2003-2004 market value/income aid ratio
- 28 <u>multiplied by the 2002-2003 average daily membership for all</u>
- 29 <u>school districts.</u>
- 30 (3) A poverty supplement calculated for qualifying school

- 1 <u>districts</u> as follows:
- 2 (i) To qualify for the poverty supplement, a school
- 3 district's 2003-2004 market value/income aid ratio shall be
- 4 equal to or greater than 0.6500 and its personal income
- 5 valuation when divided by its 2002-2003 average daily membership
- 6 shall be equal to or less than one hundred three thousand five
- 7 <u>hundred seventy-one dollars (\$103,571).</u>
- 8 (ii) The poverty supplement shall be calculated for
- 9 qualifying school districts as follows:
- 10 (A) Multiply the school district's 2002-2003 average daily
- 11 membership by thirty million dollars (\$30,000,000).
- 12 (B) Divide the product from clause (A) by the sum of the
- 13 <u>2002-2003</u> average daily membership for all qualifying school
- 14 districts.
- 15 <u>(4) A tax effort supplement calculated for qualifying school</u>
- 16 districts as follows:
- 17 (i) To qualify for the tax effort supplement, a school
- 18 district's 2001 equalized millage must be equal to or greater
- 19 than 20.6 equalized mills.
- 20 (ii) The tax effort supplement shall be calculated for
- 21 <u>qualifying school districts as follows:</u>
- 22 (A) Multiply the school district's 2002-2003 average daily
- 23 membership by fifteen million dollars (\$15,000,000).
- 24 (B) Divide the product from clause (A) by the sum of the
- 25 <u>2002-2003</u> average daily membership for all qualifying school
- 26 districts.
- 27 (5) A growth supplement calculated for qualifying school
- 28 <u>districts as follows:</u>
- 29 <u>(i) To qualify for the growth supplement, a school</u>
- 30 <u>district's 2002-2003 average daily membership must be greater</u>

- 1 than its 2001-2002 average daily membership.
- 2 (ii) The growth supplement shall be calculated for
- 3 qualifying school districts as follows:
- 4 (A) Subtract the school district's 2001-2002 average daily
- 5 membership from its 2002-2003 average daily membership.
- 6 (B) Multiply the difference from clause (A) by five million
- 7 dollars (\$5,000,000).
- 8 (C) Divide the product from clause (B) by the sum of the
- 9 <u>differences from clause (A) for all qualifying school districts.</u>
- 10 (6) Each school district shall receive additional funding as
- 11 necessary so that the sum of the amounts under section 2502.13
- 12 and under paragraphs (2), (3), (4), (5) and this paragraph will
- 13 equal at least two percent (2%) of the amount in paragraph (1).
- 14 Section 17. Sections 2509.1 and 2509.5 of the act are
- 15 amended by adding subsections to read:
- 16 Section 2509.1. Payments to Intermediate Units.--* * *
- 17 (b.11) Up to nine million five hundred thousand dollars
- 18 (\$9,500,000) may be utilized for programs administered and
- 19 operated by intermediate units during the 2003-2004 school year
- 20 for institutionalized children as established in subsection
- 21 (b.1).
- 22 * * *
- 23 Section 2509.5. Special Education Payments to School
- 24 Districts. --* * *
- 25 (11) During the 2003-2004 school year, each school district
- 26 shall be paid the amount it received during the 2002-2003 school
- 27 year under subsection (kk).
- 28 (mm) During the 2003-2004 school year, thirty-six million
- 29 one hundred forty-nine thousand five hundred eighty-seven
- 30 dollars (\$36,149,587) of the funds appropriated to the

- 1 Department of Education for special education shall be used to
- 2 provide supplemental funding for special education to all school
- 3 <u>districts</u>. The supplemental funding shall be calculated as
- 4 <u>follows:</u>
- 5 (1) multiply each school district's 2003-2004 market
- 6 value/income aid ratio by sixteen per centum (16%) of its 2002-
- 7 2003 average daily membership;
- 8 (2) multiply the product from paragraph (1) by thirty-six
- 9 <u>million one hundred forty-nine thousand five hundred eighty-</u>
- 10 seven dollars (\$36,149,587); and
- 11 (3) divide the resultant product from paragraph (2) by the
- 12 sum of the products of the 2003-2004 market value/income aid
- 13 ratio multiplied by sixteen per centum (16%) of the 2002-2003
- 14 average daily membership for all school districts.
- 15 Section 18. Section 2591.1 of the act, added June 29, 2002
- 16 (P.L.524, No.88), is amended to read:
- 17 Section 2591.1. Commonwealth Reimbursements for Charter
- 18 Schools and Cyber Charter Schools.--(a) For the 2001-2002
- 19 school year, the Commonwealth shall pay to each school district
- 20 with resident students enrolled in a charter school, a charter
- 21 school approved under section 1717-A or 1718-A which provides
- 22 instruction through the Internet or other electronic means or a
- 23 cyber charter school as defined pursuant to Article XVII-A an
- 24 amount equal to thirty percent (30%) of the total funding
- 25 required under section 1725-A(a). If insufficient funds are
- 26 appropriated to make Commonwealth reimbursements under this
- 27 section, the reimbursements shall be made on a pro rata basis.
- 28 (b) For the 2002-2003 school year, the Commonwealth shall
- 29 pay to each school district that received funding under
- 30 subsection (a) for the 2001-2002 school year and that had

- 1 resident students enrolled in a charter school, a charter school
- 2 approved under section 1717-A or 1718-A which provides
- 3 instruction through the Internet or other electronic means or a
- 4 cyber charter school as defined under Article XVII-A during the
- 5 2002-2003 school year an amount equal to the lesser of:
- 6 (1) the payment received for the 2001-2002 school year
- 7 pursuant to subsection (a); or
- 8 (2) thirty percent (30%) of the total funding required under
- 9 <u>section 1725-A(a).</u>
- 10 (c) For the 2002-2003 school year, the Commonwealth shall
- 11 pay to each school district that did not receive funding under
- 12 <u>subsection (a) for the 2001-2002 school year and that had</u>
- 13 resident students enrolled in a charter school, a charter school
- 14 approved under section 1717-A or 1718-A which provides
- 15 instruction through the Internet or other electronic means or a
- 16 cyber charter school as defined under Article XVII-A during the
- 17 2002-2003 school year an amount equal to thirty percent (30%) of
- 18 the total funding required under section 1725-A(a).
- 19 Section 19. The following amounts are hereby appropriated
- 20 from the General Fund to the Department of Education for the
- 21 fiscal period July 1, 2003, to June 30, 2004, as follows:
- 22 (1) The sum of \$25,000,000 is hereby appropriated for
- 23 payments to any school district of the first class which has
- been declared distressed pursuant to section 691(c) of the
- 25 act of March 10, 1949 (P.L.30, No.14), known as the Public
- 26 School Code of 1949, provided that such school district
- 27 submits a quarterly itemization of all Federal, State and
- local funds distributed to each school in the school
- district, including schools governed by agreements currently
- in effect pursuant to section 696(i)(2) of the Public School

2 under the School Reform Commission Resolution Number 10 of 3 April 17, 2002, to the Department of Education and to the 4 chairman and minority chairman of the Education Committee of 5 the Senate and to the chairman and minority chairman of the Education Committee of the House of Representatives. If the 6 7 Department of Education determines that the report is not 8 being submitted in accordance with the requirements of this 9 paragraph, the Department of Education shall withhold from

Code of 1949 and schools designated as partnership schools

(2) The sum of \$56,762,000 is hereby appropriated for payments on account of vocational education as provided for under section 2502.8 of the Public School Code of 1949, provided that any amounts expended by the Department of Education pursuant to the former State appropriation in the amount of \$55,378,000 for vocational education under section 212 of the act of March 20, 2003 (P.L. , No.1A), known as the General Appropriation Act of 2003, shall be deducted from the sum appropriated in this paragraph.

any and all payments to which that school district of the

the funds received from this appropriation.

first class may be entitled under the act an amount equal to

22 The sum of \$896,177,000 is hereby appropriated for 23 payments on account of special education of exceptional 24 children, provided that this amount includes \$563,000 for 25 community support services which is not to be included in the 26 base calculations of the special education program 27 components, and provided further that this amount includes 28 \$500,000 for payments to Pennsylvania charter schools for the 29 deaf and blind, and provided further that this amount 30 includes \$500,000 for special education-approved private

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- schools, and provided further that any amounts expended by
- 2 the Department of Education pursuant to the former State
- appropriation in the amount of \$874,319,000 for payments on
- 4 account of special education of exceptional children under
- 5 section 212 of the General Appropriation Act of 2003 shall be
- 6 deducted from the sum appropriated in this paragraph.
- 7 (4) The sum of \$4,204,406,906 is hereby appropriated for
- 8 basic education funding to school districts, provided that
- 9 the Secretary of Education, with the approval of the
- 10 Governor, may make payments from this appropriation in
- advance of the due date prescribed by law to school districts
- which are financially handicapped whenever the Secretary of
- 13 Education shall deem it necessary to make such advance
- 14 payments to enable the school districts to keep their schools
- open.
- 16 (5) The sum of \$25,380,000 is hereby appropriated for
- 17 school improvement grants as provided for under section 1709-
- 18 B of the Public School Code of 1949.
- 19 (6) The sum of \$15,000,000 is hereby appropriated for
- 20 education support services as provided for under Article XV-C
- of the Public School Code of 1949.
- 22 (7) The sum of \$73,991,328 is hereby appropriated for
- 23 services to nonpublic schools as provided under section
- 24 922.1-A of the Public School Code of 1949, provided that any
- amounts expended by the Department of Education pursuant to
- the former State appropriation in the amount of \$71,976,000
- 27 for services to nonpublic schools under section 212 of the
- General Appropriation Act of 2003, shall be deducted from the
- 29 sum appropriated in this paragraph.
- 30 Section 20. The following acts and parts of acts are

- 1 repealed to the extent specified:
- 2 Section 2509.8 of the act of March 10, 1949 (P.L.30, No.14),
- 3 known as the Public School Code of 1949.
- 4 As much as relates to the State appropriations in the amount
- 5 of \$55,378,000 for vocational education and in the amount of
- 6 \$874,319,000 for payments on account of special education of
- 7 exceptional children, and in the amount of \$71,976,000 for
- 8 services to nonpublic schools in section 212 of the act of March
- 9 20, 2003 (P.L. , No.1A), known as the General Appropriation
- 10 Act of 2003.
- 11 Section 21. This act shall take effect immediately.