

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2341 Session of 2012

INTRODUCED BY BARBIN, CALTAGIRONE, CONKLIN, D. COSTA, DeLUCA, EVERETT, FABRIZIO, GOODMAN, HALUSKA, HARKINS, JOSEPHS, KORTZ, KOTIK, KULA, LONGIETTI, MAHONEY, PASHINSKI, ROEBUCK, STERN, STURLA AND WATERS, MAY 2, 2012

REFERRED TO COMMITTEE ON EDUCATION, MAY 2, 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," further providing for cyber charter
6 school requirements and prohibitions; providing for funding
7 for cyber charter schools, for cyber charter school fund
8 balance transfer, for fund established for full-day
9 kindergarten and for fund established for special school
10 property tax relief; further providing for school district
11 and intermediate unit responsibilities; providing for cyber
12 charter school of residence; and further providing for
13 enrollment and notification and for applicability of other
14 provisions of this act and of other acts and regulations.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. Section 1743-A(a) and (b) of the act of March 10,
18 1949 (P.L.30, No.14), known as the Public School Code of 1949,
19 added June 29, 2002 (P.L.524, No.88), are amended to read:

20 Section 1743-A. Cyber charter school requirements and
21 prohibitions.

22 (a) Special financial requirements prohibited.--A cyber
23 charter school shall not:

1 (1) [provide discounts to a school district or waive
2 payments under section 1725-A for any student;] (Reserved).

3 (2) except as provided for in subsection (e), provide
4 payments to parents or guardians for the purchase of
5 instructional materials; or

6 (3) except as compensation for the provision of specific
7 services, enter into agreements to provide funds to a school
8 entity.

9 (b) Enrollment.--

10 (1) A cyber charter school shall report to the
11 department an increase or a decrease of 30% or more in its
12 anticipated enrollment set forth in the application under
13 section 1747-A(11).

14 (2) Within 15 days following the first day of each
15 academic year, a cyber charter school shall report to the
16 department the number of students it has enrolled in its
17 program for the academic year. If a student enrolls in a
18 cyber charter school at any other point in the academic year,
19 the cyber charter school shall notify the department of such
20 enrollment within ten days.

21 * * *

22 Section 2. The act is amended by adding sections to read:

23 Section 1743.1-A. Funding for cyber charter schools.

24 (a) Funding provided.--Funding for a cyber charter school
25 shall be provided in the following manner:

26 (1) There shall be no tuition charge for a resident or
27 nonresident student attending a cyber charter school.

28 (2) For non-special education students, the cyber
29 charter school shall receive for each student enrolled the
30 set rate for tuition of \$5,000 for the 2012-2013 academic

1 year. For each subsequent academic year, the rate shall
2 increase by a rate equal to the Consumer Price Index for All
3 Urban Consumers; however, in no case shall the rate decrease
4 below the previous academic year rate. This amount shall be
5 paid by the department.

6 (3) For special education students, the charter school
7 shall receive for each student enrolled the set rate for
8 tuition of \$13,000 for the 2012-2013 academic year. For each
9 subsequent academic year, the rate shall increase by a rate
10 equal to the Consumer Price Index for All Urban Consumers;
11 however, in no case shall the rate decrease below the
12 previous academic year rate. This amount shall be paid by the
13 department.

14 (4) A cyber charter school may request the intermediate
15 unit in which the cyber charter school is located to provide
16 services to assist the cyber charter school to address the
17 specific needs of exceptional students. The intermediate unit
18 shall assist the cyber charter school and bill the cyber
19 charter school for the services. The intermediate unit may
20 not charge the cyber charter school more for any service than
21 it charges the constituent districts of the intermediate
22 unit.

23 (5) Payments shall be made to the cyber charter school
24 in 12 equal monthly payments by the fifth day of each month,
25 within the operating school year.

26 (b) Adequate yearly progress.--A cyber charter school that
27 fails to achieve adequate yearly progress under the No Child
28 Left Behind Act of 2001 for the previous academic year shall
29 have its funding from the department reduced by 10% for the
30 succeeding academic year. If the cyber charter school fails to

1 achieve adequate yearly progress for a second consecutive
2 academic year it shall have its funding from the department
3 reduced by 20% for the succeeding academic year. After the
4 second academic year, when it has been determined that the cyber
5 charter school has failed to achieve adequate yearly progress
6 for a second consecutive academic year, the department shall
7 review the charter of the cyber charter school to determine
8 whether the school should continue in operation.

9 (c) Gifts and donations.--It shall be lawful for any cyber
10 charter school to receive, hold, manage and use, absolutely or
11 in trust, any devise, bequest, grant, endowment, gift or
12 donation of any property, real, personal or mixed, which shall
13 be made to the cyber charter school for any of the purposes of
14 this article.

15 (d) Required donations prohibited.--It shall be unlawful for
16 any trustee of a cyber charter school or any board of trustees
17 of a cyber charter school or any other person affiliated in any
18 way with a cyber charter school to demand or request, directly
19 or indirectly, any gift, donation or contribution of any kind
20 from any parent, teacher, employee or any other person
21 affiliated with the cyber charter school as a condition for
22 employment or enrollment or continued attendance of any pupil.
23 Any donation, gift or contribution received by a cyber charter
24 school shall be given freely and voluntarily.

25 Section 1743.2-A. (Reserved).

26 Section 1743.3-A. Cyber charter school fund balance transfer.

27 (a) General rule.--Any unreserved, undesignated fund balance
28 in place on June 30, 2012, shall be transferred to the
29 department within 90 days. For the 2012-2013 academic school
30 year and each academic school year thereafter, a cyber charter

1 school shall not accumulate an unreserved, undesignated fund
2 balance. All fund balances that exist at the end of the academic
3 year shall be transferred within 90 days to the department to be
4 utilized in accordance with sections 1743.4-A and 1743.5-A. Of
5 this total funding amount, 50% shall be apportioned to the fund
6 established for full-day kindergarten, and 50% shall be
7 apportioned to the fund established for special school property
8 tax relief.

9 (b) Compliance.--By August 15, 2013, and August 15 of each
10 year thereafter, each cyber charter school shall provide the
11 department with information certifying compliance with this
12 section. The information shall be provided in a form and manner
13 prescribed by the department and shall include information on
14 the cyber charter school's ending unreserved, undesignated fund
15 balance.

16 Section 1743.4-A. Fund established for full-day kindergarten.

17 Not more than 60 days from the effective date of this
18 section, a fund shall be established in the Treasury Department,
19 which shall be restricted for use by school districts solely for
20 funding full-day kindergarten. School districts may apply for
21 funding from the restricted fund by September 30 of each year.
22 Distribution of funds shall be made by the Treasury Department
23 to each applying school district based upon providing a
24 proportionate amount based on student population to each school
25 district that applies by the established deadline. All funds in
26 the account shall be distributed each year without leaving a
27 fund balance in the fund. Such funding shall be utilized by each
28 school district for the current academic year. No applications
29 shall be accepted from any school district for funding from the
30 restricted fund for the current academic school year after

September 30 of each year. Each school district's use of the
funds shall be subject to an annual audit by the department.
Section 1743.5-A. Fund established for special school property
tax relief.

Not more than 60 days from the effective date of this
section, a restricted fund shall be established in the Treasury
Department for use solely by the 20% of school districts that,
according to the Market Value/Personal Income Aid Ratio, or
MV/PIAR, calculated in accordance with section 2501(14.1), have
the highest MV/PIAR. Distribution of funds shall be made by the
Treasury Department to each school district, based upon
providing a proportionate amount based on student population to
each school district, and all funds in the account shall be
distributed each year without leaving a balance in the fund.
Such funding shall be utilized by each school district to
relieve the property tax burden in the school district. Each
school district's use of the funds shall be subject to an annual
audit by the department.

Section 3. Section 1744-A of the act, added June 29, 2002
(P.L.524, No.88), is amended to read:

Section 1744-A. School district and intermediate unit
responsibilities.

An intermediate unit or a school district in which a student
enrolled in a cyber charter school resides shall do all of the
following:

- (1) Provide the cyber charter school within ten days of
receipt of the notice of the admission of the student under
section 1748-A(a) with all records relating to the student,
including transcripts, test scores and a copy of any
individualized education program for that student.

1 (2) Provide the cyber charter school with reasonable
2 access to its facilities for the administration of
3 standardized tests required under this subdivision.

4 (3) Upon request, provide assistance to the cyber
5 charter school in the delivery of services to a student with
6 disabilities. The school district or intermediate unit shall
7 not charge the cyber charter school more for a service than
8 it charges a school district.

9 [(4) Make payments to the cyber charter school under
10 section 1725-A.]

11 Section 4. The act is amended by adding a section to read:
12 Section 1744.1-A. Cyber charter school of residence.

13 (a) Enrollment.--A student who seeks to enroll in a cyber
14 charter school and who is a resident of a school district that
15 operates a cyber charter school or whose school district's
16 intermediate unit operates a cyber charter school shall enroll
17 only in the cyber charter school operated by the school district
18 or the cyber charter school operated by the school district's
19 intermediate unit and shall not enroll in any other cyber
20 charter school. In the event that a school district of residence
21 or its intermediate unit establishes a cyber charter school, a
22 cyber charter school student who is already enrolled in a cyber
23 charter school other than the cyber charter school operated by
24 the school district of residence or its intermediate unit shall,
25 within 30 days, transfer to the cyber charter school operated by
26 the school district of residence or the cyber charter school
27 operated by the school district's intermediate unit.

28 (b) Transfer.--If a parent or guardian of a student disputes
29 the district of residence, the parent or guardian shall direct
30 such dispute to the department which shall make a final

1 determination as to district of residence.

2 Section 5. Sections 1748-A(a) and 1749-A(a) of the act,
3 added June 29, 2002 (P.L.524, No.88), are amended to read:

4 Section 1748-A. Enrollment and notification.

5 (a) Notice to school district.--

6 (1) Within 15 days of the enrollment of a student to a
7 cyber charter school, the parent or guardian and the cyber
8 charter school shall notify the student's school district of
9 residence of the enrollment through the use of the
10 notification form under subsection (b).

11 (2) If a school district which has received notice under
12 paragraph (1) determines that a student is not a resident of
13 the school district, the following apply:

14 (i) Within seven days of receipt of the notice under
15 paragraph (1), the school district shall notify the cyber
16 charter school and the department that the student is not
17 a resident of the school district. Notification of
18 nonresidence shall include the basis for the
19 determination.

20 (ii) Within seven days of notification under
21 subparagraph (i), the cyber charter school shall review
22 the notification of nonresidence, respond to the school
23 district and provide a copy of the response to the
24 department. If the cyber charter school agrees that a
25 student is not a resident of the school district, it
26 shall determine the proper district of residence of the
27 student before requesting funds from another school
28 district.

29 (iii) Within seven days of receipt of the response
30 under subparagraph (ii), the school district shall notify

1 the cyber charter school that it agrees with the cyber
2 charter school's determination or does not agree with the
3 cyber charter school's determination.

4 (iv) A school district that has notified the cyber
5 charter school that it does not agree with the cyber
6 charter school's determination under subparagraph (iii)
7 shall appeal to the department for a final determination.

8 [(v) All decisions of the department regarding the
9 school district of residence of a student shall be
10 subject to review by the Commonwealth Court.

11 (vi) A school district shall continue to make
12 payments to a cyber charter school under section 1725-A
13 during the time in which the school district of residence
14 of a student is in dispute.

15 (vii) If a final determination is made that a
16 student is not a resident of an appealing school
17 district, the cyber charter school shall return all funds
18 provided on behalf of that student to the school district
19 within 30 days.]

20 * * *

21 Section 1749-A. Applicability of other provisions of this act
22 and of other acts and regulations.

23 (a) General requirements.--Cyber charter schools shall be
24 subject to the following:

25 (1) Sections 108, 110, 111, 321, 325, 326, 327, 431,
26 436, 443, 510, 518, 527, 708, 752, 753, [755,] 771, 776, 777,
27 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1301,
28 1302, 1310, 1317.2, 1318, 1330, 1332, 1303-A, 1518, 1521,
29 1523, 1531, 1547, 1702-A, 1703-A, 1714-A, 1715-A, 1716-A,
30 1719-A, 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, [1725-A,]

1 1727-A, 1729-A, 1730-A, 1731-A(a)(1) and (b) and 2014-A and
2 Articles XII-A, XIII-A and XIV.

3 (2) The act of July 17, 1961 (P.L.776, No.341), known as
4 the Pennsylvania Fair Educational Opportunities Act.

5 (3) The act of July 19, 1965 (P.L.215, No.116), entitled
6 "An act providing for the use of eye protective devices by
7 persons engaged in hazardous activities or exposed to known
8 dangers in schools, colleges and universities."

9 (4) Section 4 of the act of January 25, 1966 (1965
10 P.L.1546, No.541), entitled "An act providing scholarships
11 and providing funds to secure Federal funds for qualified
12 students of the Commonwealth of Pennsylvania who need
13 financial assistance to attend postsecondary institutions of
14 higher learning, making an appropriation, and providing for
15 the administration of this act."

16 (5) The act of July 12, 1972 (P.L.765, No.181) entitled
17 "An act relating to drugs and alcohol and their abuse,
18 providing for projects and programs and grants to educational
19 agencies, other public or private agencies, institutions or
20 organizations."

21 (6) The act of December 15, 1986 (P.L.1595, No.175),
22 known as the Antihazing Law.

23 * * *

24 Section 6. This act shall take effect in 60 days.