
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1308 Session of
2015

INTRODUCED BY WILEY, JUNE 16, 2016

REFERRED TO EDUCATION, JUNE 16, 2016

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 definitions, for funding for charter schools and for
7 powers and duties of department.

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

10 Section 1. Section 1703-A of the act of March 10, 1949
11 (P.L.30, No.14), known as the Public School Code of 1949, is
12 amended by adding definitions to read:

13 Section 1703-A. Definitions.--As used in this article,

14 * * *

15 "Applicant" shall mean a current provider of online primary
16 or secondary public education in this Commonwealth.

17 * * *

18 "Bidding region" shall mean one of no less than eight
19 geographical regions in this Commonwealth, each of which must
20 include at least one intermediate unit, to be determined by the
21 Department of Education.

1 * * *

2 "Primary regional cyber charter school" shall mean a cyber
3 charter school, intermediate unit that provides online education
4 or school district that provides online education, which has,
5 through competitive sealed bidding, been awarded a contract by
6 the Department of Education to provide services to and receive
7 funding for students residing in a bidding region, and which
8 contract provides for the reimbursement of tuition by school
9 districts.

10 * * *

11 Section 2. Section 1725-A(a) of the act, amended June 29,
12 2002 (P.L.524, No.88), is amended and the section is amended by
13 adding a subsection to read:

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

16 (1) [There] Except as provided for in subsection (a.1),
17 there shall be no tuition charge for a resident or nonresident
18 student attending a charter school.

19 (2) For non-special education students, the charter school
20 shall receive for each student enrolled no less than the
21 budgeted total expenditure per average daily membership of the
22 prior school year, as defined in section 2501(20), minus the
23 budgeted expenditures of the district of residence for nonpublic
24 school programs; adult education programs; community/junior
25 college programs; student transportation services; for special
26 education programs; facilities acquisition, construction and
27 improvement services; and other financing uses, including debt
28 service and fund transfers as provided in the Manual of
29 Accounting and Related Financial Procedures for Pennsylvania
30 School Systems established by the department. [This] Except as

1 provided for in subsection (a.1), this amount shall be paid by
2 the district of residence of each student.

3 (3) For special education students, the charter school shall
4 receive for each student enrolled the same funding as for each
5 non-special education student as provided in clause (2), plus an
6 additional amount determined by dividing the district of
7 residence's total special education expenditure by the product
8 of multiplying the combined percentage of section 2509.5(k)
9 times the district of residence's total average daily membership
10 for the prior school year. [This] Except as provided for in
11 subsection (a.1), this amount shall be paid by the district of
12 residence of each student.

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

21 (5) Payments shall be made to the charter school in twelve
22 (12) equal monthly payments, by the fifth day of each month,
23 within the operating school year. A student enrolled in a
24 charter school shall be included in the average daily membership
25 of the student's district of residence for the purpose of
26 providing basic education funding payments and special education
27 funding pursuant to Article XXV. If a school district fails to
28 make a payment to a charter school as prescribed in this clause,
29 the secretary shall deduct the estimated amount, as documented
30 by the charter school, from any and all State payments made to

1 the district after receipt of documentation from the charter
2 school.

3 (6) Within thirty (30) days after the secretary makes the
4 deduction described in clause (5), a school district may notify
5 the secretary that the deduction made from State payments to the
6 district under this subsection is inaccurate. The secretary
7 shall provide the school district with an opportunity to be
8 heard concerning whether the charter school documented that its
9 students were enrolled in the charter school, the period of time
10 during which each student was enrolled, the school district of
11 residence of each student and whether the amounts deducted from
12 the school district were accurate.

13 (a.1) Funding for a cyber charter school shall be provided
14 in the following manner:

15 (1) A cyber charter school that is a primary regional cyber
16 charter school shall receive for each student enrolled the
17 amount specified in its contract with the department under
18 section 1741-A(a) (6). This amount shall be paid by the district
19 of residence of each student, unless the student resides in
20 another bidding region, in which case, the amount shall be paid
21 by the parents or guardians of the student.

22 (2) A cyber charter school that is not a primary regional
23 cyber school shall receive for each student an amount agreed
24 upon between the cyber charter school and the parents or
25 guardians of the student. This amount shall be paid by the
26 parents or guardians of the student.

27 * * *

28 Section 3. Section 1741-A of the act, added June 29, 2002
29 (P.L.524, No.88), is amended to read:

30 Section 1741-A. Powers and duties of department.

1 (a) Powers and duties.--The department shall:

2 (1) Receive, review and act on applications for the
3 creation of a cyber charter school and have the power to
4 request further information from applicants, obtain input
5 from interested persons or entities and hold hearings
6 regarding applications.

7 (2) Renew the charter of cyber charter school and renew
8 the charter of a charter school approved under section 1717-A
9 or 1718-A which provides instruction through the Internet or
10 other electronic means. Upon renewal of a charter of a
11 charter school approved under section 1717-A or 1718-A, the
12 charter school shall qualify as a cyber charter school under
13 this subdivision and shall be subject to the provisions of
14 this subdivision.

15 (3) Revoke or deny renewal of a cyber charter school's
16 charter under the provisions of section 1729-A.

17 (i) Notwithstanding the provisions of section 1729-
18 A(i), when the department has revoked or denied renewal
19 of a charter, the cyber charter school shall be
20 dissolved. After the disposition of the liabilities and
21 obligations of the cyber charter school, any remaining
22 assets of the cyber charter school shall be given over to
23 the intermediate unit in which the cyber charter school's
24 administrative office was located for distribution to the
25 school districts in which the students enrolled in the
26 cyber charter school reside at the time of dissolution.

27 (ii) Notwithstanding any laws to the contrary, the
28 department may, after notice and hearing, take immediate
29 action to revoke a charter if:

30 (A) a material component of the student's

1 education as required under this subdivision is not
2 being provided; or

3 (B) the cyber charter school has failed to
4 maintain the financial ability to provide services as
5 required under this subdivision.

6 (4) Execute charters after approval.

7 (5) Develop forms, including the notification form under
8 section 1748-A(b), necessary to carry out the provisions of
9 this subdivision.

10 (6) No later than one year after the effective date of
11 this paragraph, establish a competitive bidding procedure in
12 which applicants must submit bids in order to enter into a
13 contract with the department and become primary regional
14 cyber charter schools. The procedure shall provide for the
15 manner in which bids must be submitted, a public hearing in
16 each bidding region and the award of a contract in each
17 bidding region based on the lowest responsible bid for that
18 bidding region. In order for an applicant to be awarded a
19 contract, it must meet the requirements of sections 1719-A
20 and 1747-A and either submit the relevant materials to the
21 department or proof of charter, in those cases where the
22 applicant is a currently operating cyber charter school. A
23 contract entered into under this paragraph shall have a term
24 of not more than two years, shall specify the amount to be
25 paid by the school district of residence for each student
26 enrolled and shall be subject to termination if the
27 department revokes the charter in accordance with this
28 article.

29 (b) Hearings.--Hearings [conducted] by the department shall
30 be conducted under 65 Pa.C.S. Ch. 7 (relating to open meetings).

1 (c) Documents.--Documents of the appeal board shall be
2 subject to the act of [June 21, 1957 (P.L.390, No.212), referred
3 to] February 14, 2008 (P.L.6, No.3), known as the Right-to-Know
4 Law.

5 Section 4. This act shall take effect in 60 days.