AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in school district financial recovery, providing for duties of receivers in certain districts.

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

Section 1. The act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended by adding a section to read:

Section 677-A. Duties of receivers in certain districts.

(a) General rule.--If a receiver is appointed in a school district of the second class that is located in a city of the third class within a county of the third class, the receiver shall create a program of tuition grants as provided under this section.
(b) Tuition grants.--A receiver shall establish a program of tuition grants to provide for the education of students who reside within the boundaries of the school district and attend or will attend a nonpublic school or a participating public school in a school district. The receiver may not limit the number of tuition grants available. The receiver shall use funds received from the Commonwealth for educational purposes to establish a program of tuition grants to provide for the education of students who reside within the boundaries of the school district. The following apply:

(1) The grant amount shall be equal to or greater than 50% of the amount received by the school district under section 2502.53 for the prior school year divided by the school district's average daily membership.

(2) A student who receives a tuition grant under this section shall be included in the school district's average daily membership. A student may not be included in the average daily membership of a participating school district.

(c) Commonwealth match for tuition grants.--The following apply:

(1) The Commonwealth shall provide a matching tuition grant equal to 50% of the amount received by the school district under section 2502.53 for the prior school year for each student who receives a tuition grant under subsection (b).

(2) The Commonwealth matching grant and tuition grant shall be reduced on a pro rata basis if the school district grant plus the Commonwealth matching grant exceed the amount of tuition and fees charged by the nonpublic school or the participating public school.
(d) Guidelines and process.--

(1) The receiver shall develop and establish guidelines for the program of tuition grants, including:

(i) An application form and approval process.

(ii) Standards for verification of the accuracy of application information.

(iii) Standards for confirmation of attendance by a student who receives a tuition grant.

(iv) Requirements for grant checks, including requiring restrictive endorsement of grant checks by parents to the school chosen by the parents.

(v) A process for pro rata refunds of grants for students who withdraw during the school year.

(vi) Criteria for when grants must be refunded to the school district.

(vii) A process for participating public schools to accept students in the program of tuition grants.

(viii) Reasonable deadline dates for submission of grant applications.

(2) The receiver shall announce the award of grants no later than August 1, 2020, and each August 1 thereafter for the school year in which the grants will be utilized. Upon receipt of written confirmation of enrollment from the student's school of choice, grants shall be paid to the parents of the student by a check that may only be endorsed to the selected school.

(3) If a student is not enrolled in the school prior to the completion of the school term, the school shall send written notice to the school district.

(4) Grants awarded to students under this section shall
not:

(i) Be considered taxable income for purposes of a local taxing ordinance or for purposes of Article III of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

(ii) Constitute financial assistance or appropriations to any nonpublic school attended by the student.

(e) Construction.--Nothing under this section shall be construed to empower the Commonwealth, the receiver or a school district or any of the Commonwealth's, receiver's or school district's agencies or officers to do any of the following:

(1) Prescribe the course content or admissions criteria for a religiously affiliated school.

(2) Compel a nonpublic school or participating public school to accept or enroll a student.

(3) Impose additional requirements on a nonpublic school that are not otherwise authorized by statute.

(4) Require a nonpublic school to accept or retain a student if the nonpublic school does not offer programs or is not structured or equipped with the necessary facilities to meet the special needs of the student or does not offer a particular program requested.

(f) Participating public schools.--The following apply:

(1) A school district may designate a school or schools that will accept students who receive a tuition grant.

(2) The receiver shall include a process for a participating public school to accept students in the program of tuition grants, including:

(i) The timeline for a school district to elect to
participate in accepting students who receive a tuition grant.

(ii) Identifying each public school in the school district that will participate.

(iii) Identifying the number of students the school district will accept by grade level.

(3) A participating school district may agree to accept less than the tuition calculated under section 2561.

(g) Financial recovery plan.--After the receiver develops a program of tuition grants under this section, the receiver shall modify the financial recovery plan as necessary to accommodate the program by filing a petition in accordance with section 672-A(b)(5). Within seven days of the filing of the petition, the court of common pleas shall issue a decision approving the petition if the program of tuition grants complies with the requirements of this section. The judge shall not deny the petition for any other reason except that it does not comply with the requirements of this section. If the judge denies the petition, the receiver must revise and resubmit the financial recovery plan within 30 days.

(h) Transportation.--A student receiving a tuition grant under this section shall be provided transportation to the nonpublic school or participating public school located within the district boundaries or outside the district boundaries at a distance not exceeding ten miles by the nearest public highway as provided under section 1361.

Section 2. This act shall take effect immediately.