

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 757 Session of 2013

INTRODUCED BY MARSHALL, MILLER, MILLARD, SWANGER, GROVE AND
EVERETT, MAY 16, 2013

REFERRED TO COMMITTEE ON EDUCATION, MAY 16, 2013

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 charter
6 schools.

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

9 Section 1. Section 1725-A(a) of the act of March 10, 1949
10 (P.L.30, No.14), known as the Public School Code of 1949,
11 amended June 29, 2002 (P.L.524, No.88) is amended and the
12 section is amended by adding subsections to read:

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

15 (1) There shall be no tuition charge for a resident or
16 nonresident student attending a charter school.

17 (2) For non-special education students, the charter school
18 shall receive for each student enrolled the following, which
19 shall be paid by the district of residence of each student:

20 (i) Through and including the 2012-2013 school year, no less

1 than the budgeted total expenditure per average daily membership
2 of the prior school year, as defined in section 2501(20), minus
3 the budgeted expenditures of the district of residence for
4 nonpublic school programs; adult education programs;
5 community/junior college programs; student transportation
6 services; for special education programs; facilities
7 acquisition, construction and improvement services; and other
8 financing uses, including debt service and fund transfers as
9 provided in the Manual of Accounting and Related Financial
10 Procedures for Pennsylvania School Systems established by the
11 department. [This amount shall be paid by the district of
12 residence of each student.]

13 (ii) Beginning in the 2013-2014 school year, the following:

14 (A) For each student enrolled in a brick and mortar charter
15 school, no less than the budgeted total expenditure per average
16 daily membership of the prior school year, as defined in section
17 2501(20), minus the budgeted expenditures of the district of
18 residence for nonpublic school programs; adult education
19 programs; community/junior college programs; student
20 transportation services; for special education programs;
21 facilities acquisition, construction and improvement services;
22 and other financing uses, including debt service and fund
23 transfers as provided in the Manual of Accounting and Related
24 Financial Procedures for Pennsylvania School Systems established
25 by the department.

26 (B) For each student enrolled in a cyber charter school, an
27 amount equal to the lesser of the median per student cost of
28 cyber charter school enrollment paid by all school districts for
29 the 2012-2013 school year or the per student cost of cyber
30 charter school enrollment paid by the district of residence for

1 the 2012-2013 school year, as adjusted by the index pursuant to
2 subsection (f).

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 amount shall be paid by the
11 district of residence of each student.

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

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

1 school.

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

12 * * *

13 (f) No later than October 31, 2014, and by October 31 of
14 each year thereafter, the department shall calculate the index
15 and the adjusted median per student cost of cyber charter school
16 enrollment paid by all school districts for use in calculating
17 cyber charter school payments for the succeeding school year.
18 The department shall publish the index in the Pennsylvania
19 Bulletin by November 15, 2014, and by November 15 of each year
20 thereafter. Each district of residence shall use the index
21 published by the department in calculating the adjustment to the
22 per student cost of cyber charter school enrollment paid by the
23 district of residence for the 2012-2013 school year pursuant to
24 clause (a) (2) (ii) (B).

25 (g) As used in this section, the following terms shall have
26 the following meanings:

27 (1) "Brick and mortar charter school." A charter school as
28 defined in section 1703-A which is not a cyber charter school as
29 defined in this subsection.

30 (2) "Charter school." A brick and mortar charter school or

1 a cyber charter school as such terms are defined in this
2 subsection.

3 (3) "Cyber charter school." A charter school as defined in
4 section 1703-A which uses technology in order to provide a
5 significant portion of its curriculum and delivers a significant
6 portion of its instruction to students through the Internet or
7 other electronic means.

8 (4) "Index." The index as defined in section 302 of the act
9 of June 27, 2006 (1st Sp. Sess., P.L.1873, No.1), known as the
10 Taxpayer Relief Act.

11 (5) "Median per student cost of cyber charter school
12 enrollment paid by all school districts." The midpoint of the
13 per student costs for cyber charter school enrollment paid by
14 school districts in this Commonwealth, ranked from the lowest
15 cost to the highest cost, as determined by the department for
16 each school year pursuant to subsection (f).

17 Section 2. This act shall take effect in 60 days.