
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 128 Session of
2015

INTRODUCED BY WILEY, YUDICHAK, HUTCHINSON AND BREWSTER,
MARCH 4, 2015

REFERRED TO EDUCATION, MARCH 4, 2015

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 that has a
17 performance measure profile at or above the Statewide mean score
18 as determined by regulations of the department.

19 * * *

20 "Bidding region" shall mean one of no less than eight

1 geographical regions in this Commonwealth, each of which must
2 include at least one intermediate unit, to be determined by the
3 Department of Education.

4 * * *

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

13 * * *

14 Section 2. Section 1725-A(a) of the act, amended June 29,
15 2002 (P.L.524, No.88), is amended and the section is amended by
16 adding a subsection to read:

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

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

22 (2) For non-special education students, the charter school
23 shall receive for each student enrolled no less than the
24 budgeted total expenditure per average daily membership of the
25 prior school year, as defined in section 2501(20), minus the
26 budgeted expenditures of the district of residence for nonpublic
27 school programs; adult education programs; community/junior
28 college programs; student transportation services; for special
29 education programs; facilities acquisition, construction and
30 improvement services; and other financing uses, including debt

1 service and fund transfers as provided in the Manual of
2 Accounting and Related Financial Procedures for Pennsylvania
3 School Systems established by the department. [This] Except as
4 provided for in subsection (a.1), this amount shall be paid by
5 the district of residence of each student.

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

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

24 (5) Payments shall be made to the charter school in twelve
25 (12) equal monthly payments, by the fifth day of each month,
26 within the operating school year. A student enrolled in a
27 charter school shall be included in the average daily membership
28 of the student's district of residence for the purpose of
29 providing basic education funding payments and special education
30 funding pursuant to Article XXV. If a school district fails to

1 make a payment to a charter school as prescribed in this clause,
2 the secretary shall deduct the estimated amount, as documented
3 by the charter school, from any and all State payments made to
4 the district after receipt of documentation from the charter
5 school.

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

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

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

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

30 * * *

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

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

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

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

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

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

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

30 (ii) Notwithstanding any laws to the contrary, the

1 department may, after notice and hearing, take immediate
2 action to revoke a charter if:

3 (A) a material component of the student's
4 education as required under this subdivision is not
5 being provided; or

6 (B) the cyber charter school has failed to
7 maintain the financial ability to provide services as
8 required under this subdivision.

9 (4) Execute charters after approval.

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

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

1 charter school is no longer at or above the Statewide mean
2 score or the department revokes the charter in accordance
3 with this article.

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

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

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