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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1571 Session of  
2019

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INTRODUCED BY CIRESI, SOLOMON, RABB, WILLIAMS, MULLERY,  
POLINCHOCK, NEILSON, SHUSTERMAN, HILL-EVANS, DeLUCA,  
SCHWEYER, WEBSTER, ZABEL, DELLOSO, KORTZ, VITALI, McNEILL,  
EVERETT AND A. DAVIS, JUNE 4, 2019

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REFERRED TO COMMITTEE ON EDUCATION, JUNE 4, 2019

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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 funding for charter schools.

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

9 Section 1. Section 1725-A of the act of March 10, 1949  
10 (P.L.30, No.14), known as the Public School Code of 1949, is  
11 amended to read:

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

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

17 (2) For non-special education students, the charter school  
18 shall receive for each student enrolled no less than the  
19 budgeted total expenditure per average daily membership of the

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

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

22 (4) A charter school may request the intermediate unit in  
23 which the charter school is located to provide services to  
24 assist the charter school to address the specific needs of  
25 exceptional students. The intermediate unit shall assist the  
26 charter school and bill the charter school for the services. The  
27 intermediate unit may not charge the charter school more for any  
28 service than it charges the constituent districts of the  
29 intermediate unit.

30 (5) Payments shall be made to the charter school in twelve

1 (12) equal monthly payments, by the fifth day of each month,  
2 within the operating school year. A student enrolled in a  
3 charter school shall be included in the average daily membership  
4 of the student's district of residence for the purpose of  
5 providing basic education funding payments and special education  
6 funding pursuant to Article XXV. [If] Except as provided under  
7 subsection (f), if a school district fails to make a payment to  
8 a charter school as prescribed in this clause, the secretary  
9 shall deduct the estimated amount, as documented by the charter  
10 school, from any and all State payments made to the district  
11 after receipt of documentation from the charter school. No later  
12 than October 1 of each year, a charter school shall submit to  
13 the school district of residence of each student final  
14 documentation of payment to be made based on the average daily  
15 membership for the students enrolled in the charter school from  
16 the school district for the previous school year. [If] Except as  
17 provided under subsection (f), if a school district fails to  
18 make payment to the charter school, the secretary shall deduct  
19 and pay the amount as documented by the charter school from any  
20 and all State payments made to the district after receipt of  
21 documentation from the charter school from the appropriations  
22 for the fiscal year in which the final documentation of payment  
23 was submitted to the school district of residence.

24 (6) Within thirty (30) days after the secretary makes the  
25 deduction described in clause (5), a school district may notify  
26 the secretary that the deduction made from State payments to the  
27 district under this subsection is inaccurate. The secretary  
28 shall provide the school district with an opportunity to be  
29 heard concerning whether the charter school documented that its  
30 students were enrolled in the charter school, the period of time

1 during which each student was enrolled, the school district of  
2 residence of each student and whether the amounts deducted from  
3 the school district were accurate.

4 (b) ~~[The]~~ Except as provided under subsection (f), the  
5 Commonwealth shall provide temporary financial assistance to a  
6 school district due to the enrollment of students in a charter  
7 school who attended a nonpublic school in the prior school year  
8 in order to offset the additional costs directly related to the  
9 enrollment of those students in a public charter school. The  
10 Commonwealth shall pay the school district of residence of a  
11 student enrolled in a nonpublic school in the prior school year  
12 who is attending a charter school an amount equal to the school  
13 district of residence's basic education subsidy for the current  
14 school year divided by the district's average daily membership  
15 for the prior school year. This payment shall occur only for the  
16 first year of the attendance of the student in a charter school,  
17 starting with school year 1997-1998. Total payments of temporary  
18 financial assistance to school districts on behalf of a student  
19 enrolling in a charter school who attended a nonpublic school in  
20 the prior school year shall be limited to funds appropriated for  
21 this program in a fiscal year. If the total of the amount needed  
22 for all students enrolled in a nonpublic school in the prior  
23 school year who enroll in a charter school exceeds the  
24 appropriation for the temporary financial assistance program,  
25 the amount paid to a school district for each qualifying student  
26 shall be pro rata reduced. Receipt of funds under this  
27 subsection shall not preclude a school district from applying  
28 for a grant under subsection (c).

29 (c) The Commonwealth shall create a grant program to, except  
30 as provided under subsection (f), provide temporary transitional

1 funding to a school district due to the budgetary impact  
2 relating to any student's first-year attendance at a charter  
3 school. The department shall develop criteria which shall  
4 include, but not be limited to, the overall fiscal impact on the  
5 budget of the school district resulting from students of a  
6 school district attending a charter school. The criteria shall  
7 be published in the Pennsylvania Bulletin. This subsection shall  
8 not apply to a public school converted to a charter school under  
9 section 1717-A(b). Grants shall be limited to funds appropriated  
10 for this purpose.

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

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

26 (f) Notwithstanding any other provision of this act, the  
27 following shall apply:

28 (1) A local board of school directors of a school district  
29 may, by June 30 of each year, vote to not make payments required  
30 under this section to a charter school or regional charter

1 school located outside the school district's boundaries for  
2 students which attend the charter school.

3 (2) This subsection shall not apply to a charter or regional  
4 charter school located outside the school district's boundaries  
5 established and operated under a charter from the local board of  
6 school directors of the school district.

7 (3) If the student chooses to enroll in a charter school,  
8 the student or the student's parent or guardian shall be  
9 responsible to pay the charter school a per-student amount  
10 calculated in the manner under subsection (a) (2) and (3). The  
11 payments shall be made to the charter school in twelve (12)  
12 equal monthly payments, by the fifth day of each month, within  
13 the operating school year. A student enrolled in a charter  
14 school under this clause shall not be included in the average  
15 daily membership of the student's school district of residence  
16 for the purpose of providing basic education funding payments  
17 and special education funding pursuant to Article XXV.

18 (4) Within thirty (30) days after the secretary makes the  
19 addition described in clause (3), a school district may notify  
20 the secretary that the addition made to State payments to the  
21 district under this subsection is inaccurate. The secretary  
22 shall provide the school district with an opportunity to be  
23 heard concerning whether the charter school documented that its  
24 students were enrolled in the charter school, the period of time  
25 during which each student was enrolled, the school district of  
26 residence of each student and whether the amounts added to the  
27 school district were accurate.

28 (5) The Commonwealth may not provide temporary financial  
29 assistance under subsection (b) to a school district whose  
30 local board of school directors voted to not make payments under

1 clause (1). A school district whose local board of school  
2 directors voted to not make payments under clause (1) shall not  
3 be eligible for a grant under subsection (c).

4 Section 2. The amendment of section 1725-A of the act shall  
5 apply to the 2020-2021 school year and each school year  
6 thereafter.

7 Section 3. This act shall take effect in 60 days.