

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.

