

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1904 Session of
2023

INTRODUCED BY D'ORSIE, DECEMBER 11, 2023

REFERRED TO COMMITTEE ON EDUCATION, DECEMBER 11, 2023

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 pupils and attendance, providing
6 for personalized education program; providing for student
7 freedom accounts; and establishing the Student Freedom
8 Account Program.

9 This act shall be known and may be cited as the Student
10 Freedom Account Act.

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

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

16 Section 1327.4. Personalized Education Program.--(a) The
17 requirements contained in sections 1511 and 1511.1, except as
18 provided for in this section, and section 1605 shall not apply
19 to personalized education programs.

20 (b) A personalized education program shall not be considered
21 a nonpublic school under the provisions of this act.

1 (c) The following apply to a notarized affidavit of the
2 parent or guardian or other person having legal custody of the
3 child who will participate in the personalized education
4 program:

5 (1) The affidavit shall be filed with the superintendent of
6 the school district of residence of the child prior to the
7 commencement of the personalized education program and annually
8 thereafter no later than August 1.

9 (2) The affidavit shall include:

10 (i) The name of the supervisor of the personalized education
11 program who shall be responsible for ensuring the provision of
12 instruction.

13 (ii) The name and age of the child.

14 (iii) The address and telephone number of the personalized
15 education program site.

16 (iv) A statement that the subjects as required by law will
17 be offered in the English language, including an outline of
18 proposed education objectives by subject area. The
19 superintendent may not use the required outline of proposed
20 education objectives in determining whether the personalized
21 education program is out of compliance with this section and
22 section 1327.

23 (v) Evidence that the child has been immunized in accordance
24 with the provisions of section 1303(a) and has received the
25 health and medical services required for students of the child's
26 age or grade level in Article XIV.

27 (vi) A statement that the personalized education program
28 shall comply with the provisions of this section and that the
29 notarized affidavit shall be satisfactory evidence thereof.

30 (vii) A certification to be signed by the supervisor that

1 the supervisor, all adults living in the home and persons having
2 legal custody of the child have not been convicted of the
3 criminal offenses enumerated in section 111(e) within five years
4 immediately preceding the date of the affidavit.

5 (3) The affidavit may contain information for more than one
6 child.

7 (d) If a personalized education program site is relocating
8 to another school district within this Commonwealth during the
9 course of the public school term or prior to the opening of the
10 public school term in the fall, the supervisor of the
11 personalized education program shall apply, by registered mail,
12 within thirty (30) days prior to the relocation, to the
13 superintendent of the district in which the supervisor currently
14 resides, requesting a letter of transfer for the personalized
15 education program to the district to which the personalized
16 education program is relocating. The following apply:

17 (1) The current superintendent of residence shall issue the
18 letter of transfer within thirty (30) days after receipt of the
19 registered mail request of the supervisor of the personalized
20 education program.

21 (2) If the personalized education program is not in
22 compliance with the provisions of this section, the
23 superintendent of the current district of residence shall inform
24 the supervisor of the personalized education program and the
25 superintendent of the district to which the personalized
26 education program is relocating the status of the personalized
27 education program and the reason for the denial of the letter of
28 transfer.

29 (3) If the personalized education program is in hearing
30 procedures, as contained in this section, the superintendent of

1 the current district of residence shall inform the supervisor of
2 the personalized education program, the assigned hearing
3 examiner and the superintendent of the district to which the
4 personalized education program is relocating the status of the
5 personalized education program and the reason for the denial of
6 the letter of transfer.

7 (4) The letter of transfer must be filed by the supervisor
8 of the personalized education program with the superintendent of
9 the new district of residence. In the case of pending
10 proceedings, the superintendent of the new district of residence
11 shall continue the personalized education program until the
12 appeal process is finalized.

13 (e) A child who is enrolled in a personalized education
14 program and whose education is therefore under the direct
15 supervision of the parent or guardian or other person having
16 legal custody of the child shall be deemed to have met the
17 requirements of section 1327 if the personalized education
18 program provides a minimum of one hundred eighty (180) days of
19 instruction or nine hundred (900) hours of instruction per year
20 at the elementary level or nine hundred ninety (990) hours per
21 year at the secondary level. The following apply:

22 (1) At the elementary school level, the following courses
23 shall be taught:

24 (i) English, to include spelling, reading and writing.

25 (ii) Arithmetic.

26 (iii) Science.

27 (iv) Geography.

28 (v) History of the United States and Pennsylvania.

29 (vi) Civics.

30 (vii) Safety education, including regular and continuous

1 instruction in the dangers and prevention of fires.

2 (viii) Health and physiology.

3 (ix) Physical education.

4 (x) Music.

5 (xi) Art.

6 (2) At the secondary school level, the following courses
7 shall be taught:

8 (i) English, to include language, literature, speech and
9 composition.

10 (ii) Mathematics, to include general mathematics, algebra
11 and geometry.

12 (iii) Science

13 (iv) Geography.

14 (v) Social studies, to include civics, world history,
15 history of the United States and history of Pennsylvania.

16 (vi) Safety education, including regular and continuous
17 instruction in the dangers and prevention of fires.

18 (vii) Health.

19 (viii) Physical education.

20 (ix) Music.

21 (x) Art.

22 (3) The courses under paragraph (2) may include, at the
23 discretion of the supervisor of the personalized education
24 program:

25 (i) Economics.

26 (ii) Biology.

27 (iii) Chemistry.

28 (iv) Foreign languages.

29 (v) Trigonometry.

30 (vi) Other age-appropriate courses as contained in 22 Pa.

1 Code Ch. 4 (relating to academic standards and assessment).

2 (f) The following minimum courses in grades nine through
3 twelve are established as a requirement for graduation in a
4 personalized education program:

5 (1) Four years of English.

6 (2) Three years of mathematics.

7 (3) Three years of science.

8 (4) Three years of social studies.

9 (5) Two years of arts and humanities.

10 (g) The following apply to diplomas:

11 (1) Notwithstanding any other provision of this act or any
12 other law or regulation, a high school diploma awarded by a
13 supervisor or an approved diploma-granting organization shall be
14 considered as having all the rights and privileges afforded by
15 the Commonwealth, a Commonwealth agency, including the
16 Pennsylvania Higher Education Assistance Agency, a political
17 subdivision, a local agency and an authority or instrumentality
18 of the Commonwealth or a political subdivision to a high school
19 diploma awarded under this act, subject to subparagraphs (i) and
20 (ii). The following apply:

21 (i) In the case of a diploma awarded by a supervisor:

22 (A) The student receiving the diploma shall have completed
23 all the requirements in subsection (f) while enrolled in a
24 personalized education program that is in compliance with this
25 section.

26 (B) The diploma shall be awarded to the student on a
27 standardized form to be developed by the department and which
28 shall be made available on the publicly accessible Internet
29 website of the department.

30 (C) The diploma shall be signed by the student's twelfth

1 grade evaluator in confirmation of the student's suitability for
2 graduation.

3 (ii) In the case of a diploma awarded by an approved
4 diploma-granting organization:

5 (A) The student receiving the diploma shall have completed
6 all the requirements in subsection (f) while enrolled in a
7 personalized education program that is in compliance with this
8 section.

9 (B) The diploma shall be awarded to the student on a
10 standardized form to be developed by the organization.

11 (2) The department shall establish eligibility criteria and
12 an application process for approving diploma-granting
13 organizations to award high school diplomas to students enrolled
14 in personalized education programs. The department shall
15 maintain a list of approved diploma-granting organizations and
16 post the list on the publicly accessible Internet website of the
17 department.

18 (h) To demonstrate that appropriate education is occurring,
19 the supervisor of the personalized education program shall
20 provide and maintain on file the following documentation for
21 each student enrolled in the personalized education program:

22 (1) A portfolio of records and materials. The following
23 apply:

24 (i) The portfolio shall consist of a log, made
25 contemporaneously with the instruction, which designates by
26 title the reading materials used, samples of any writings,
27 worksheets, workbooks or creative materials used or developed by
28 the student and, in grades three, five and eight, results of
29 nationally normed standardized achievement tests in reading and
30 language arts and mathematics or the results of Statewide tests

1 administered in these grade levels.

2 (ii) The department shall establish a list, with at least
3 five nationally normed standardized achievement tests from which
4 the supervisor of the personalized education program shall
5 select a test to be administered if the supervisor does not
6 choose the Statewide tests.

7 (iii) At the discretion of the supervisor, the portfolio may
8 include the results of nationally normed standardized
9 achievement tests for other subject areas or grade levels.

10 (iv) The supervisor shall ensure that the nationally normed
11 standardized achievement tests or the Statewide tests shall not
12 be administered by the parent or guardian or other person having
13 legal custody of the child.

14 (v) A teacher or administrator who evaluates a portfolio at
15 the elementary level, for grades kindergarten through six, shall
16 have at least two years of experience in grading any of the
17 following subjects:

18 (A) English, to include spelling, reading and writing.

19 (B) Arithmetic.

20 (C) Science.

21 (D) Geography.

22 (E) History of the United States and Pennsylvania.

23 (F) Civics.

24 (vi) A teacher or administrator who evaluates a portfolio at
25 the secondary level, for grades seven through twelve, shall have
26 at least two years of experience in grading any of the following
27 subjects:

28 (A) English, to include language, literature, speech,
29 reading and composition.

30 (B) Mathematics, to include general mathematics, algebra,

1 trigonometry, calculus and geometry.

2 (C) Science, to include biology, chemistry and physics.

3 (D) Geography.

4 (E) Social studies, to include economics, civics, world
5 history, history of the United States and history of
6 Pennsylvania.

7 (F) Foreign language.

8 (vii) As used in subparagraphs (v) and (vi), the term
9 "grading" shall mean evaluation of classwork, homework, quizzes,
10 classwork-based tests and prepared tests related to classwork
11 subject matter.

12 (2) An annual written evaluation of the student's
13 educational progress as determined by a licensed clinical or
14 school psychologist or a teacher certified by the Commonwealth
15 or by a nonpublic school teacher or administrator. The following
16 apply:

17 (i) The nonpublic teacher or administrator shall have:

18 (A) At least two years of teaching experience in a
19 Pennsylvania public or nonpublic school within the last ten
20 years.

21 (B) The required experience at the elementary level to
22 evaluate elementary students or at the secondary level to
23 evaluate secondary students.

24 (ii) The certified teacher shall have experience at the
25 elementary level to evaluate elementary students or at the
26 secondary level to evaluate secondary students.

27 (iii) The evaluation shall also be based on an interview of
28 the child and a review of the portfolio required in paragraph
29 (1) and shall certify whether or not an appropriate education is
30 occurring.

1 (iv) At the request of the supervisor, persons with other
2 qualifications may conduct the evaluation with the prior consent
3 of the superintendent of the district of residence.

4 (v) An evaluator may not be the supervisor or the spouse of
5 the supervisor.

6 (i) The school district of residence shall, at the request
7 of the supervisor, lend to the personalized education program
8 copies of the school district's planned courses, textbooks and
9 other curriculum materials appropriate to the student's age and
10 grade level.

11 (j) The following apply to activities:

12 (1) The school district of residence shall permit a child
13 who is enrolled in a personalized education program to
14 participate in any activity that is subject to the provisions of
15 section 511, including clubs, musical ensembles, athletics and
16 theatrical productions, if the child:

17 (i) Meets the eligibility criteria or their equivalent for
18 participation in the activity that applies to students enrolled
19 in the school district.

20 (ii) Meets the tryout criteria or their equivalent for
21 participation in the activity that applies to students enrolled
22 in the school district.

23 (iii) Complies with all policies, rules and regulations or
24 their equivalent of the governing organization of the activity.

25 (2) For the purposes of this subsection, the school district
26 of residence's program of interscholastic athletics, including
27 varsity sports, shall be considered an activity and shall
28 include all activities related to competitive sports contests,
29 games, events or exhibitions involving individual students or
30 teams of students whenever the activities occur between schools

1 within the school district or between schools outside of the
2 school district.

3 (3) If an activity requires completion of a physical
4 examination or medical test as a condition of participation and
5 the school district of residence offers the physical examination
6 or medical test to students enrolled in the school district, the
7 school district shall permit a child who is enrolled in a
8 personalized education program to access the physical
9 examination or medical test. The school district shall publish
10 the dates and times of the physical examination or medical test
11 in a publication of general circulation in the school district
12 and on the publicly accessible Internet website of the school
13 district.

14 (4) A board of school directors may adopt a policy to
15 implement the requirements of this subsection. The policy shall
16 only apply to participation in activities and shall not conflict
17 with any other provision of this section.

18 (k) The following apply:

19 (1) Beginning with the 2024-2025 school year and each school
20 year thereafter, the school district of residence:

21 (i) Shall develop policies and procedures to permit a child
22 who is enrolled in a personalized education program to
23 participate, on the same basis as other students enrolled in the
24 school district, in a cocurricular activity that merges
25 extracurricular activities with a required academic course,
26 including band or orchestra.

27 (ii) Must permit a child who is enrolled in a personalized
28 education program to participate in academic courses equaling up
29 to at least one quarter of the school day for full-time
30 students, pursuant to the policies and procedures of the school

1 district of residence, on the same basis as other students
2 enrolled in the school district, if the child:

3 (A) Meets the eligibility criteria or their equivalent for
4 participation in the cocurricular or academic course that
5 applies to students enrolled full time in the school district.

6 (B) Meets the prerequisite criteria or their equivalent for
7 participation in the cocurricular or academic course that
8 applies to students enrolled full time in the school district.

9 (C) Complies with all policies, rules and regulations or
10 their equivalent of the school district of residence.

11 (2) For the purposes of this subsection, the school district
12 of residence shall provide the grade for each cocurricular or
13 academic course to the supervisor of the personalized education
14 program, who shall be responsible for maintaining the material
15 in the portfolio of records.

16 (3) The parent or legal guardian of the child shall be
17 responsible for transportation of the child to and from school
18 for the selected courses, except that a personalized education
19 program student may utilize district transportation to or from
20 school during the times a bus is otherwise already operating and
21 space is available.

22 (4) A board of school directors may adopt a policy to
23 implement the requirements of this subsection. A policy under
24 this paragraph may require that the cocurricular or academic
25 courses taken under paragraph (1) be taken consecutively during
26 the school day if the school or a child's parent or legal
27 guardian is not able to provide adequate supervision for the
28 child between cocurricular and academic courses. The policy
29 shall only apply to participation in cocurricular or academic
30 courses and shall not conflict with any provisions of this

1 section.

2 (5) A personalized education program student enrolled in a
3 cocurricular or academic course in the student's school district
4 of residence shall be included in the average daily membership
5 of the school district of residence and shall pay the tuition
6 calculated by counting the time the personalized education
7 program student spends in the public school.

8 (1) The following apply:

9 (1) Beginning with the 2024-2025 school year and each school
10 year thereafter, the school district of residence shall develop
11 policies and procedures consistent with the enrollment or seat
12 allocation provisions of the written agreement among the
13 participating school districts which established the career and
14 technical education center, or in the case of a school-district-
15 operated career and technical education program, the school
16 district of residence shall develop policies and procedures
17 consistent with subsection (k), to permit a personalized
18 education program student to participate in a career and
19 technical education program on the same basis as other students
20 enrolled in the school district, if the child:

21 (i) Meets the eligibility criteria or their equivalent for
22 participation in the career and technical education program that
23 applies to students enrolled full time in the school district.

24 (ii) Meets the prerequisite criteria or their equivalent for
25 participation in the career and technical education program that
26 applies to students enrolled full time in the school district.

27 (iii) Complies with all policies, rules and regulations or
28 their equivalent of the school district of residence and the
29 career and technical education center.

30 (2) For the purposes of this subsection, the school-

1 district-operated career and technical education program or the
2 career and technical education center shall provide the grades
3 to the personalized education program supervisor, who shall be
4 responsible for maintaining the material in the portfolio of
5 records.

6 (3) The personalized education program students may utilize
7 district transportation to or from the career and technical
8 education program during the times buses are otherwise already
9 operating and space is available.

10 (4) A board of school directors may adopt a policy to
11 implement the requirements of this subsection. The policy shall
12 only apply to participation in career and technical education
13 programs and shall not conflict with any provisions of this
14 section.

15 (5) A personalized education program student enrolled in the
16 career and technical education program shall be included in the
17 average daily membership of the school district of residence and
18 career and technical education center, if applicable, and shall
19 pay the tuition calculated by counting the time the personalized
20 education program student spends in the career and technical
21 education program.

22 (m) Nothing in subsections (k) and (l) shall prohibit a
23 school district or a career and technical education center from
24 establishing policies that prioritize participation in courses
25 or programs with limited seating or enrollment.

26 (n) When documentation is required by this section to be
27 submitted to a hearing examiner, the hearing examiner shall
28 return, upon completion of the review by the hearing officer,
29 all of the documentation to the supervisor of the personalized
30 education program. The hearing examiner may photocopy all or

1 portions of the documentation for the files of the hearing
2 officer.

3 (o) An evaluator's certification stating that an appropriate
4 education is occurring for the school year under review shall be
5 provided by the supervisor to the superintendent of the school
6 district of residence by June 30 of each year. If the supervisor
7 fails to submit the certification due on June 30 to the
8 superintendent, the superintendent shall send a letter by
9 certified mail, return receipt requested, to the supervisor of
10 the personalized education program, stating that the
11 certification is past due and notifying the supervisor to submit
12 the certification within ten (10) days of receipt of the
13 certified letter. If the certification is not submitted within
14 that time, the board of school directors shall provide for a
15 proper hearing in accordance with subsection (r).

16 (p) If the superintendent has a reasonable belief, at any
17 time during the school year, that appropriate education may not
18 be occurring in the personalized education program, the
19 superintendent may submit a letter to the supervisor, by
20 certified mail, return receipt requested, requiring that an
21 evaluation be conducted in accordance with subsection (h) (2) and
22 that an evaluator's certification stating that an appropriate
23 education is occurring for the school year under review, be
24 submitted to the district by the supervisor within thirty (30)
25 days of the receipt of the certified letter. The following
26 apply:

27 (1) The certified letter shall include the basis for the
28 superintendent's reasonable belief.

29 (2) If the tests, as required in subsection (h) (1), have not
30 been administered at the time of the receipt of the certified

1 letter by the supervisor, the supervisor shall submit the other
2 required documentation to the evaluator and shall submit the
3 test results to the evaluator with the completed documentation
4 at the conclusion of the school year.

5 (3) If the certification is not submitted to the
6 superintendent within thirty (30) days of receipt of the
7 certified letter, the board of school directors shall provide
8 for a proper hearing in accordance with subsection (r).

9 (q) If the superintendent has a reasonable belief that the
10 personalized education program is out of compliance with any
11 other provisions of this section, the superintendent shall
12 submit a letter to the supervisor by certified mail, return
13 receipt requested, requiring a certification to be submitted
14 within thirty (30) days indicating that the program is in
15 compliance. The following apply:

16 (1) The certified letter shall include the basis for the
17 superintendent's reasonable belief.

18 (2) If the certification is not submitted within thirty (30)
19 days of receipt of the certified letter, the board of school
20 directors shall provide for a proper hearing in accordance with
21 subsection (r).

22 (r) If a hearing is required by the provisions of subsection
23 (o), (p) or (q), the board of school directors shall provide for
24 a proper hearing by a duly qualified and impartial hearing
25 examiner within thirty (30) days. The following apply:

26 (1) The examiner shall render a decision within fifteen (15)
27 days of the hearing except that the examiner may require the
28 establishment of a remedial education plan mutually agreed to by
29 the superintendent and supervisor of the personalized education
30 program which shall continue the personalized education program.

1 (2) The decision of the examiner may be appealed by either
2 the supervisor of the personalized education program or the
3 superintendent to the Secretary of Education, Commonwealth Court
4 or court of common pleas.

5 (s) If the hearing examiner finds that the evidence does not
6 indicate that appropriate education is taking place in the
7 personalized education program, the personalized education
8 program for the child shall be out of compliance with the
9 requirements of this section and section 1327, and the student
10 shall be promptly enrolled in the public school district of
11 residence, a nonpublic school or a licensed private academic
12 school. The personalized education program may continue during
13 the time of any appeal.

14 (t) At the time that the child's personalized education
15 program has been determined to be out of compliance with the
16 provisions of this section and section 1327, the supervisor or
17 spouse of the supervisor of the personalized education program
18 shall not be eligible to supervise a personalized education
19 program for that child for a period of twelve (12) months from
20 the date of the determination.

21 (u) Nothing in this section shall be construed to affect
22 Federal or State law relating to special education for students
23 with disabilities in personalized education programs.

24 (v) As used in this section, the following words and phrases
25 shall have the meanings given to them in this subsection unless
26 the context clearly indicates otherwise:

27 "Appropriate education" shall mean a program consisting of
28 instruction in the required subjects for the time required in
29 this act and in which the student demonstrates sustained
30 progress in the overall program.

1 "Department" shall mean the Department of Education of the
2 Commonwealth.

3 "Hearing examiner" shall not mean an officer, employe or
4 agent of the department or of the school district or
5 intermediate unit of residence of the child in the personalized
6 education program.

7 "Personalized education program" shall mean a program
8 conducted, in compliance with this section, by the parent or
9 guardian or other person having legal custody of the child.

10 "Supervisor" shall mean the parent or guardian or other
11 person having legal custody of the child who is responsible for
12 meeting the requirements of the student freedom account program
13 under Article XX-L and ensuring the provision of instruction,
14 provided that the person has a high school diploma or its
15 equivalent.

16 Section 2. The act is amended by adding an article to read:

17 ARTICLE XX-L

18 STUDENT FREEDOM ACCOUNTS

19 Section 2001-L. Scope of article.

20 This article relates to student freedom accounts.

21 Section 2002-L. Definitions.

22 The following words and phrases when used in this article
23 shall have the meanings given to them in this section unless the
24 context clearly indicates otherwise:

25 "Applicant." A parent who applies for a student freedom
26 account under section 2004-L.

27 "Average daily membership." As defined in section 2501(3).

28 "Department." The Treasury Department of the Commonwealth.

29 "Eligible student." A school-age child whose parent has
30 entered into an agreement for a student freedom account under

1 section 2005-L.

2 "Institution of higher education." As defined in section
3 118(c).

4 "Nonpublic school." A school, other than a public school,
5 located in this Commonwealth where a Commonwealth resident may
6 legally fulfill the compulsory attendance requirements of this
7 act, that complies with section 1521 and meets the applicable
8 requirements of Title VI of the Civil Rights Act of 1964 (Public
9 Law 88-352, 78 Stat. 241).

10 "Parent." An individual who is a resident of the
11 Commonwealth and who, with respect to a school-age child:

12 (1) is a biological parent, adoptive parent or legal
13 guardian of the school-age child;

14 (2) has legal custody of the school-age child; or

15 (3) resides with the school-age child in the
16 individual's home and supports the school-age child gratis as
17 if the school-age child were a lineal descendant of the
18 individual.

19 "Participating entity." As follows:

20 (1) Any of the following from which a school-age child
21 receives instruction or support under this article:

22 (i) A nonpublic school for grades kindergarten
23 through 12, or a combination of grades.

24 (ii) An institution of higher education.

25 (iii) A distance learning program.

26 (iv) A tutor who:

27 (A) is a teacher licensed in any state;

28 (B) has tutored or taught at an eligible
29 postsecondary institution or an eligible nonpublic
30 school;

1 (C) is a subject matter expert;
2 (D) is approved by the department; or
3 (E) is part of a tutoring agency that is
4 approved by the department.

5 (v) A counselor who is licensed or accredited by the
6 the Commonwealth to work with school-age children.

7 (vi) A provider of personalized education services
8 or curriculum.

9 (2) The term does not include a parent of a school-age
10 child to the extent that the parent provides educational
11 services directly to the school-age child.

12 "Program." The Student Freedom Account Program established
13 under section 2003-L(a).

14 "Public school." A school district, charter school, cyber
15 charter school, regional charter school, intermediate unit or
16 area career and technical school.

17 "Qualified education expenses." Costs, fees and other
18 expenses for or associated with any of the following for an
19 eligible student:

20 (1) Tuition and school fees.

21 (2) Required uniforms.

22 (3) Textbooks.

23 (4) Tutoring or other educational services provided by a
24 participating entity.

25 (5) A virtual education program or course.

26 (6) Services provided by a public school or public
27 charter school, including individual classes and
28 extracurricular programs.

29 (7) Transportation services for education purposes.

30 (8) Management of a student freedom account.

1 (9) Summer school.

2 (10) Camps.

3 (11) After-school learning programs.

4 (12) Tuition, fees and textbooks at an eligible
5 postsecondary institution.

6 (13) A nationally norm-referenced test, advanced
7 placement or similar examination, standardized examination
8 required for admission to an institution of higher education,
9 area career and technical education examination or industry
10 certification examination.

11 (14) Curriculum, textbook or other instructional
12 materials.

13 (15) Hardware, software and Internet connectivity
14 associated with instruction.

15 (16) If the eligible student is a student with a
16 disability, special instruction or special services provided
17 to the eligible student, including occupational, physical,
18 speech or behavioral therapy.

19 (17) Evaluation and identification of special needs or a
20 student with special needs.

21 (18) Other items or materials incurred in the education
22 of the eligible student.

23 "School-age child." A child who:

24 (1) is enrolled in kindergarten through grade 12; and

25 (2) resides in this Commonwealth.

26 "Student freedom account." A spending account that is:

27 (1) Established and administered by the department in
28 accordance with this article.

29 (2) Controlled by a parent of a school-age child with
30 money that may be spent on qualified education expenses.

1 "Student with special needs." Any of the following:

2 (1) A child who:

3 (i) is subject to an individualized education
4 program under the Individuals with Disabilities Education
5 Act (Public Law 91-230, 20 U.S.C. § 1400 et seq.) and 22
6 Pa. Code Ch. 14 (relating to special education services
7 and programs);

8 (ii) is subject to a section 504 service agreement
9 under section 504 of the Rehabilitation Act of 1973
10 (Public Law 93-112, 29 U.S.C. § 701 et seq.) and 22 Pa.
11 Code Ch. 15 (relating to protected handicapped students);

12 (iii) is subject to a gifted individualized
13 education plan under 22 Pa. Code Ch. 16 (relating to
14 special education for gifted students);

15 (iv) is eligible for early intervention services
16 under 55 Pa. Code § 4226.22 (relating to eligibility for
17 early intervention services); or

18 (v) meets the definition of "child with a
19 disability" under the Individuals with Disabilities
20 Education Act or meets the definition of a "handicapped
21 person" under section 504 of the Rehabilitation Act of
22 1973 and its implementing regulations under 34 CFR
23 104.3(j) (relating to definitions).

24 (2) The term includes a student for whom an evaluation
25 is pending under the Individuals with Disabilities Education
26 Act or the Rehabilitation Act of 1973.

27 Section 2003-L. Establishment and administration of Student
28 Freedom Account Program.

29 (a) Establishment.--The Student Freedom Account Program is
30 established within the department to administer student freedom

1 accounts.

2 (b) Third-party administrators.--

3 (1) The department may contract with a private third-
4 party administrator or multiple third-party administrators to
5 administer the program.

6 (2) If the department chooses to contract with a private
7 third-party administrator to administer the program, the
8 department shall seek good faith bids from at least three
9 organizations.

10 (3) Upon selecting a private third-party administrator
11 to administer the program, the department and the private
12 third-party administrator shall enter into a contract that
13 specifies service level agreements for timeliness of:

14 (i) The review of and determinations regarding
15 applications under section 2004-L.

16 (ii) The approval of a participating entity or
17 personalized education program in accordance with this act
18 for the eligible student.

19 (iii) The flow of money into and from each student
20 freedom account.

21 (iv) The flow of money to a participating entity or
22 for a personalized education program in accordance with
23 this act.

24 (c) Expenses.--The department may annually withhold up to 5%
25 of money allocated for each student freedom account for the
26 administration of the program.

27 Section 2004-L. Application.

28 (a) Development of form.--The department or a third-party
29 administrator shall design a concise, simple and easily
30 understood application form available for a parent to complete

1 for the purpose of establishing a student freedom account for a
2 school-age child.

3 (b) Submittal of form.--A parent seeking to establish a
4 student freedom account shall first submit a completed
5 application form under this section either electronically
6 through the publicly accessible Internet website of the
7 department or as otherwise prescribed by the department.

8 (c) Languages of form.--An application form under this
9 section shall be available in English and Spanish.

10 (d) Individuals who may apply.--Only a parent of a school-
11 age child may apply for a student freedom account for the
12 school-age child.

13 (e) Acceptance.--The department or third-party administrator
14 shall accept applications year round on a rolling basis.

15 (f) Review and approval.--

16 (1) The department or a third-party administrator shall
17 review each submitted application under this section to
18 determine if the requirements under this section are met. If
19 the requirements are met, the department shall approve the
20 application and enter into an agreement with the parent in
21 accordance with section 2005-L.

22 (2) The department shall notify the applicant and
23 affected school district of the approved application within
24 30 calendar days of the receipt of the application.

25 Section 2005-L. Agreement.

26 (a) Conditions for establishing student freedom account.--
27 After approval of an application under section 2004-L and the
28 entry of an agreement under this section, a student freedom
29 account shall be established.

30 (b) Execution and contents.--An agreement to establish a

1 student freedom account must be executed by the parent who
2 submitted the application under section 2004-L and the
3 department and shall contain the following statements:

4 (1) The school-age child of the parent shall withdraw
5 from public school, including a public charter school or
6 public cyber charter school, and receive instruction in this
7 Commonwealth from a participating entity or enroll in a
8 personalized education program in accordance with this act in
9 the school year for which the agreement applies.

10 (2) Money in the form of a grant shall be deposited into
11 the student freedom account in accordance with section 2006-
12 L.

13 (3) Money in the student freedom account may only be
14 used on behalf of the eligible student for qualified
15 education expenses.

16 (4) If the student freedom account is used for
17 qualifying education expenses not associated with full-time
18 enrollment in a participating entity or through a
19 personalized education program in accordance with this act,
20 education for the eligible student shall be provided, at a
21 minimum, as follows:

22 (i) At the elementary school level in the subjects
23 of:

24 (A) English, to include spelling, reading and
25 writing.

26 (B) Arithmetic.

27 (C) Science.

28 (D) Geography.

29 (E) History of the United States and
30 Pennsylvania.

1 (F) Civics.

2 (G) Safety education, including regular and
3 continuous instruction in the dangers and prevention
4 of fires.

5 (H) Health and physiology.

6 (I) Physical education.

7 (J) Music.

8 (K) Art.

9 (ii) At the secondary school level in the subjects
10 of:

11 (A) English, to include language, literature,
12 speech and composition.

13 (B) Mathematics, to include general mathematics,
14 algebra and geometry.

15 (C) Science.

16 (D) Geography.

17 (E) Social studies, to include civics, world
18 history, history of the United States and history of
19 Pennsylvania.

20 (F) Safety education, including regular and
21 continuous instruction in the dangers and prevention
22 of fires.

23 (G) Health.

24 (H) Physical education.

25 (I) Music.

26 (J) Art.

27 (c) Subsequent agreements not precluded.--Failure of a
28 parent to enter into an agreement under this section for a
29 school year shall not preclude the parent from entering into an
30 agreement for a subsequent school year if the requirements of

1 this article are met.

2 (d) Term of agreement.--Except as otherwise provided under
3 this article, an agreement under this section shall be valid for
4 one school year.

5 (e) Renewal.--If all of the requirements of this article
6 continue to be met, an agreement under this section shall be
7 automatically renewed each school year.

8 (f) Number.--

9 (1) A parent may enter into separate agreements under
10 this section for each school-age child of the parent.

11 (2) Only one student freedom account may be established
12 for each school-age child.

13 (g) Termination.--

14 (1) Subject to paragraph (2), an agreement for a student
15 freedom account may be terminated early by the parent who
16 entered the agreement or the department, in which case the
17 student freedom account shall be closed and any remaining and
18 available money in the student freedom account shall revert
19 to the General Fund and shall be disbursed to the resident
20 school district of the former eligible student.

21 (2) Notwithstanding paragraph (1), an agreement for a
22 student freedom account shall terminate automatically if the
23 eligible student no longer resides in this Commonwealth or
24 returns to full-time attendance at a public school, including
25 a public charter school or public cyber charter school. The
26 following apply:

27 (i) Within 15 days of the change in residence or
28 school attendance, the parent who entered the agreement
29 shall notify the department.

30 (ii) After the parent has notified the department

1 under this paragraph, the student freedom account shall
2 be closed and any remaining and available money in the
3 student freedom account shall revert to the General Fund.
4 If the former eligible student returns to full-time
5 attendance at a public school, including a public charter
6 school or public cyber charter school, in this
7 Commonwealth, the money in the closed student freedom
8 account shall be disbursed to the resident school
9 district of the former eligible student.

10 (h) Explanation.--Upon entering into or renewing an
11 agreement under this section, the department shall provide the
12 parent with a written explanation of the authorized uses of the
13 money in the student freedom account and the responsibilities of
14 the parent and the department under the agreement and this
15 article.

16 Section 2006-L. Grant.

17 (a) Deposit.--If a parent of an eligible student enters into
18 or renews an agreement under section 2005-L with the department
19 for a school year, the State Treasurer shall deposit a grant for
20 that school year in the student freedom account of the eligible
21 student.

22 (b) Amount.--The amount of the grant under subsection (a)
23 shall be as follows:

24 (1) For an eligible student who is not a student with
25 special needs, the grant amount shall be equal to the State
26 revenue received by school districts divided by the State
27 total average daily membership.

28 (2) For an eligible student who is a student with
29 special needs, the grant amount shall be based on the
30 category of disability by which the resident school district

1 is required to categorize the eligible student for the
2 purpose of the report required under section 1372(8) as
3 follows:

4 (i) For an eligible student in Category 1, multiply
5 the grant amount in paragraph (1) by 1.51.

6 (ii) For an eligible student in Category 2, multiply
7 the grant amount in paragraph (1) by 3.77.

8 (iii) For an eligible student in Category 3A or 3B,
9 multiply the grant amount in paragraph (1) by 7.46.

10 (3) For an eligible student receiving a grant, the
11 amount of basic education funding and other subsidies paid by
12 the department to the resident school district shall be
13 reduced by the grant amount calculated for the student.

14 (4) If a school district's basic education funding and
15 other subsidies are reduced under this section, the resident
16 school district shall include the grant recipient in the
17 resident school district's average daily membership for the
18 purpose of calculating school subsidies.

19 (c) Installments.--The State Treasurer shall deposit the
20 money for each grant in quarterly installments under a schedule
21 determined by the department.

22 (d) Disposition.--The following shall apply to money
23 remaining in a student freedom account:

24 (1) For money remaining in a student freedom account at
25 the end of a school year, the money may be carried forward to
26 any other school year of the eligible student if the
27 agreement entered into under section 2005-L is renewed for
28 the other school year.

29 (2) Subject to paragraph (3), money remaining in a
30 student freedom account when an agreement entered into under

1 section 2005-L is not renewed or is terminated shall revert
2 to the General Fund and be used in the resident school
3 district of the former eligible student.

4 (3) Money remaining in a student freedom account after
5 the eligible student graduates from high school may be used
6 for qualified education expenses for up to two years after
7 the date of high school graduation. After the two-year time
8 period under this paragraph has expired, money remaining in
9 the student freedom account shall revert to the General Fund.

10 Section 2007-L. Payments.

11 (a) Prohibitions.--A participating entity that receives a
12 payment for qualified education expenses may not:

13 (1) Refund a portion of the payment directly to the
14 parent who made the payment.

15 (2) Rebate or otherwise directly share a portion of the
16 payment with the parent who made the payment.

17 (b) Refund.--A participating entity shall deposit a refund
18 for an item that is being returned or an item or service that
19 has not been provided directly to the student freedom account of
20 the eligible student from which payment for the item or service
21 was made.

22 (c) Payment system.--

23 (1) The department or third-party administrator shall
24 develop a system that enables a parent to pay for services
25 provided by a participating entity under the program by:

26 (i) electronic money transfer, including an
27 electronic payment system, debit card or other means of
28 electronic payment that the department determines to be
29 commercially viable and cost effective; or

30 (ii) another method approved by the State Treasury.

1 (2) The department may not adopt a system that
2 exclusively requires a parent to be reimbursed for out-of-
3 pocket expenses.

4 (d) Source of payment.--

5 (1) An individual may not deposit personal money into or
6 otherwise make gifts or contributions of private money to a
7 student freedom account.

8 (2) Nothing in this section shall be construed to
9 prohibit a parent or eligible student from paying for
10 qualified education expenses from a source other than a
11 student freedom account.

12 Section 2008-L. Taxability.

13 Money received under this article shall not constitute
14 taxable income to the parent of the eligible student.

15 Section 2009-L. Audits.

16 The Auditor General may:

17 (1) Conduct a random audit of student freedom accounts.

18 (2) Refer cases of suspected fraudulent misuse of
19 student freedom accounts to the Inspector General for
20 investigation. If the investigation results in a finding that
21 rises to the level of criminal activity, the Inspector
22 General shall refer the matter to the appropriate law
23 enforcement agency for prosecution.

24 (3) Notify the State Treasury of cases of suspected
25 fraudulent misuse that are referred to the Inspector General.

26 Section 2010-L. Penalties.

27 If the department determines that money in a student freedom
28 account has been fraudulently expended for an expense other than
29 a qualified education expense, the department may do any of the
30 following:

1 (1) Freeze or dissolve the student freedom account,
2 subject to regulations adopted by the department providing
3 for notice of the action and opportunity to respond to the
4 notice.

5 (2) Disqualify the parent from future participation in
6 the program.

7 Section 2011-L. Accountability standards for a participating
8 entity.

9 (a) Compliance.--A participating entity shall:

10 (1) Comply with all health and safety laws or codes that
11 apply to the participating entity.

12 (2) Comply with the nondiscrimination policies under
13 section 1521 and 42 U.S.C. § 1981 (relating to equal rights
14 under the law).

15 (3) Comply with the provisions of sections 111 and
16 111.1.

17 (b) Financial accountability standards.--

18 (1) A participating entity shall provide parents with a
19 receipt for all qualified education expenses incurred by the
20 participating entity.

21 (2) The department may require a participating entity
22 that expects to receive at least \$10,000 in payments from
23 student freedom accounts during the school year to file
24 financial viability documentation, in the form and manner as
25 determined by the department, which may include:

26 (i) a surety bond payable to the Commonwealth in an
27 amount equal to the aggregate amount of money from the
28 student freedom accounts expected to be paid during the
29 school year on behalf of eligible students admitted at
30 the participating entity; or

1 (ii) financial information that demonstrates that
2 the participating entity has the ability to pay an
3 aggregate amount equal to the amount of money from the
4 student freedom accounts expected to be paid during the
5 school year on behalf of eligible students admitted at
6 the participating entity.

7 (c) Academic accountability standards.--

8 (1) A parent of an eligible student shall ensure that
9 the department is informed of the eligible student's
10 graduation from high school.

11 (2) The department shall:

12 (i) Ensure compliance with all student privacy laws,
13 including 20 U.S.C. § 1232g (relating to family
14 educational and privacy rights).

15 (ii) Administer an annual parental satisfaction
16 survey that shall ask parents of eligible students
17 participating in the program to express:

18 (A) The parent's satisfaction with the program.

19 (B) The number of years the eligible student has
20 participated in the program.

21 (C) The parent's opinions on other topics, items
22 or issues that the department determines would elicit
23 information about the effectiveness of the program.

24 (d) Participating entity autonomy.--

25 (1) A participating entity shall be autonomous and may
26 not be an agent of the department or the Commonwealth.

27 (2) The department or another State agency may not
28 regulate the educational program of a participating entity
29 that accepts money from a student freedom account.

30 (3) The establishment of the program may not be

1 construed to expand the regulatory authority of the
2 Commonwealth, the officers of the Commonwealth or a school
3 district to impose additional regulation of a participating
4 entity beyond those necessary to enforce the requirements of
5 the program.

6 Section 2012-L. Bar of certain participating entities.

7 (a) Reasons.--The department may bar a participating entity
8 from participation in the program if the department establishes
9 that the participating entity has:

10 (1) routinely failed to comply with the accountability
11 standards established under section 2011-L; or

12 (2) failed to provide an eligible student with the
13 educational services funded by the eligible student's student
14 freedom account.

15 (b) Notice.--If the department bars a participating entity
16 from participation in the program, the department shall post the
17 decision on the publicly accessible Internet website of the
18 department.

19 (c) Appeal.--A participating entity may appeal the
20 department's decision under this section.

21 Section 2013-L. School records.

22 The resident school district of a school-age child shall
23 provide the participating entity that has admitted the school-
24 age child as an eligible student with a complete copy of the
25 school-age child's school records immediately upon enrollment or
26 when services in the participating entity begin, subject to 20
27 U.S.C. § 1232g (relating to family educational and privacy
28 rights).

29 Section 2014-L. Legal proceedings.

30 (a) Liability.--Liability shall not arise on the part of the

1 Commonwealth, the department, a third-party administrator, a
2 participating entity or a public school based on the award or
3 use of a student freedom account in accordance with this
4 article.

5 (b) Challenges.--

6 (1) If any part of this article is challenged in a State
7 court as violating either the Constitution of the United
8 States or the Constitution of Pennsylvania, parents of
9 eligible students and students who previously had a student
10 freedom account shall be permitted to intervene as of right
11 in the lawsuit for the purposes of defending the
12 constitutionality of the program.

13 (2) For the purposes of judicial administration under
14 this subsection, a court:

15 (i) May require that all of the participating
16 parents file a joint brief.

17 (ii) May not require all of the participating
18 parents to join a brief filed on behalf of a named State
19 defendant.

20 (c) Severability.--If any provision of this article or the
21 application thereof to any person or circumstance is held
22 invalid, the invalidity shall not affect other provisions or
23 applications of this article which can be given effect without
24 the invalid provision or application, and to this end the
25 provisions of this article are declared to be severable.

26 Section 2015-L. Other information to be posted.

27 The department shall annually post on its publicly accessible
28 Internet website:

29 (1) A list of all participating entities.

30 (2) A list of all qualified education expenses. The

1 following apply:

2 (i) The list of qualified expenses is not meant to
3 be exhaustive.

4 (ii) The list shall be accompanied by a statement
5 that the intent of the program is to foster parental
6 freedom and flexibility in designing an eligible
7 student's education.

8 Section 2016-L. Guidelines.

9 Within 60 days of the effective date of this section, the
10 department shall develop guidelines as necessary for the
11 administration of this article.

12 Section 2017-L. Implementation.

13 (a) Data.--The State Treasury shall, at a time and manner as
14 may be directed by the State Treasury, request and receive
15 information and data from a resident school district,
16 participating entity or applicant determined to be necessary by
17 the State Treasury to administer this article.

18 (b) Contracting.--

19 (1) Notwithstanding any provision of 62 Pa.C.S. Pt. I
20 (relating to Commonwealth Procurement Code) and to facilitate
21 the prompt implementation of this article, a contract may be
22 awarded for a supply or service without competition if the
23 State Treasury determines in writing that the contract is
24 necessary for the implementation of any provision of this
25 article and is in the best interest of the Commonwealth. The
26 State Treasury shall provide and make publicly available a
27 written justification of any procurement under this
28 subsection.

29 (2) Paragraph (1) shall not apply after two years
30 following the issuance of the procurement under paragraph

1 (1). Procurements issued after this period shall be issued as
2 provided by law.

3 (c) Regulations.--

4 (1) To facilitate the prompt implementation of this
5 article, regulations determined to be necessary and
6 promulgated by the State Treasury shall be deemed temporary
7 regulations and shall expire no later than two years
8 following the publication of temporary regulations. The State
9 Treasury may promulgate temporary regulations not subject to:

10 (i) Section 612 of the act of April 9, 1929
11 (P.L.177, No.175), known as The Administrative Code of
12 1929.

13 (ii) Sections 201, 202, 203, 204 and 205 of the act
14 of July 31, 1968 (P.L.769, No.240), referred to as the
15 Commonwealth Documents Law.

16 (iii) Section 204(b) of the act of October 15, 1980
17 (P.L.950, No.164), known as the Commonwealth Attorneys
18 Act.

19 (iv) The act of June 25, 1982 (P.L.633, No.181),
20 known as the Regulatory Review Act.

21 (2) The authority provided to the State Treasury to
22 adopt temporary regulations in this subsection shall expire
23 no later than two years following the publication of the
24 temporary regulations. Regulations adopted after this period
25 shall be promulgated as provided by law.

26 Section 3. This act shall apply to the school year that
27 begins at least one year after the effective date of this
28 section and to each school year thereafter, with applications
29 accepted under this act not earlier than the March 1 that occurs
30 immediately prior to the first school year.

1 Section 4. This act shall take effect immediately.