
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 574 Session of
2023

INTRODUCED BY BENHAM, D. MILLER, MADDEN, ISAACSON, SCHLOSSBERG,
RABB, PISCIOTTANO, CIRESI, HILL-EVANS, PROBST, HOHENSTEIN,
STURLA, SANCHEZ, HADDOCK AND FLEMING, MARCH 20, 2023

REFERRED TO COMMITTEE ON EDUCATION, MARCH 20, 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 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(a)(3) of the act of March 10, 1949
10 (P.L.30, No.14), known as the Public School Code of 1949, is
11 amended and subsection (a) is amended by adding clauses 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 * * *

15 (3) For the 1997-1998 school year through the 2021-2022
16 school year, for special education students, the charter school
17 shall receive for each student enrolled the same funding as for
18 each non-special education student as provided in clause (2),
19 plus an additional amount determined by dividing the district of

1 residence's total special education expenditure by the product
2 of multiplying the combined percentage of section 2509.5(k)
3 times the district of residence's total average daily membership
4 for the prior school year. This amount shall be paid by the
5 district of residence of each student.

6 (3.1) (i) For the 2022-2023 school year and each school
7 year thereafter, subject to the provisions of clause (3.2), for
8 special education students, the charter school shall receive for
9 each student enrolled an amount which shall be paid by the
10 district of residence of each student as follows:

11 (A) For each special education student enrolled in the
12 charter school for which the annual expenditure is less than
13 twenty-five thousand dollars (\$25,000), which shall be known as
14 Category 1, multiply the same funding as for each non-special
15 education student as provided in clause (2) by one and fifty-one
16 hundredths (1.51).

17 (B) For each special education student enrolled in the
18 charter school for which the annual expenditure is equal to or
19 greater than twenty-five thousand dollars (\$25,000) and less
20 than fifty thousand dollars (\$50,000), which shall be known as
21 Category 2, multiply the same funding as for each non-special
22 education student as provided in clause (2) by three and
23 seventy-seven hundredths (3.77).

24 (C) For each special education student enrolled in the
25 charter school for which the annual expenditure is equal to or
26 greater than fifty thousand dollars (\$50,000), which shall be
27 known as Category 3, multiply the same funding as for each non-
28 special education student as provided in clause (2) by seven and
29 forty-six hundredths (7.46).

30 (ii) To be eligible to receive funding for special education

1 students under subparagraph (i)(B) and (C), the charter school
2 must document the cost of providing an education to the special
3 education student and provide the documentation to the
4 department.

5 (iii) For each weight provided in subparagraph (i)(A), (B)
6 and (C) for each school district, the department shall annually
7 make the following adjustment:

8 (A) Divide the school district's total expenditure for
9 special education programs and services, excluding gifted
10 education, by the number of special education students who
11 reside in the school district.

12 (B) Divide the total expenditure for special education
13 programs and services, excluding gifted education, for all
14 school districts by the total number of special education
15 students residing in all school districts.

16 (C) Divide the quotient in clause (A) by the quotient in
17 clause (B).

18 (D) If the quotient in clause (C) is greater than one (1),
19 multiply the quotient by the weight to determine the school
20 district adjustment.

21 (E) In no case shall the adjustment made in subparagraph (i)
22 (A) and (B) result in a payment that exceeds the maximum amount
23 within the category's dollar range and in no case shall the
24 adjustment in subparagraph (i)(C) result in a payment that
25 exceeds the actual cost of providing an education to the special
26 education student as determined under subparagraph (ii).

27 (iv) The department shall annually adjust the dollar ranges
28 in subparagraph (i)(A), (B) and (C) by the Consumer Price Index
29 for All Urban Consumers for the Pennsylvania, New Jersey,
30 Delaware and Maryland area.

1 (v) The annual expenditure amounts used to calculate funding
2 under subparagraph (i) (A), (B) and (C) shall be based on the
3 amounts used in making reports to the department under section
4 1372(8).

5 (3.2) To transition to the new student-based funding
6 methodology for special education students under clause (3.1), a
7 charter school shall receive for each student enrolled an amount
8 to be paid by the district of residence as follows:

9 (i) For each special education student under clause (3.1) (i)
10 (A) in Category 1, the following shall apply:

11 (A) Determine the number of special education students under
12 clause (3.1) (i) (A) from the school district who were enrolled in
13 a charter school with individualized education plans as required
14 under 20 U.S.C. Ch. 33 (relating to education of individuals
15 with disabilities) as of May 31, 2022.

16 (B) Divide the number determined in clause (A) by the total
17 number of students enrolled in a charter school from the school
18 district under clause (3.1) (i) (A) as of October 1 of that year.

19 (C) Multiply the lesser of the quotient in clause (B) or one
20 (1) by the amount for the same special education student
21 determined in clause (3) for the 2021-2022 school year.

22 (D) Subtract the lesser of the quotient in clause (B) or one
23 (1) from one (1) and multiply the difference by the amount for
24 the same special education student in clause (3.1) (i) (A).

25 (E) Add the amounts in clauses (C) and (D) to determine the
26 amount paid by the school district.

27 (ii) For each special education student under clause (3.1)
28 (i) (B) in Category 2, the following shall apply:

29 (A) Determine the number of special education students under
30 clause (3.1) (i) (B) from the school district who were enrolled in

1 a charter school with individualized education plans as required
2 by 20 U.S.C. Ch. 33 as of May 31, 2022.

3 (B) Divide the number determined in clause (A) by the total
4 number of students enrolled in a charter school from the school
5 district under clause (3.1)(i)(B) as of October 1 of that year.

6 (C) Multiply the lesser of the quotient in clause (B) or one
7 (1) by the amount for the same special education student
8 determined in clause (3) for the 2021-2022 school year.

9 (D) Subtract the lesser of the quotient in clause (B) or one
10 (1) from one (1) and multiply the difference by the amount for
11 the same special education student in clause (3.1)(i)(B).

12 (E) Add the amounts in clauses (C) and (D) to determine the
13 amount paid by the school district.

14 (iii) For each special education student under clause (3.1)
15 (i)(C) in Category 3, the following shall apply:

16 (A) Determine the number of special education students under
17 clause (3.1)(i)(C) from the school district who were enrolled in
18 a charter school with individualized education plans as required
19 by 20 U.S.C. Ch. 33 as of May 31, 2022.

20 (B) Divide the number determined in clause (A) by the total
21 number of students enrolled in a charter school from the school
22 district under clause (3.1)(i)(C) as of October 1 of that year.

23 (C) Multiply the lesser of the quotient in clause (B) or one
24 (1) by the amount for the same special education student
25 determined in clause (3) for the 2021-2022 school year.

26 (D) Subtract the lesser of the quotient in clause (B) or one
27 (1) from one (1) and multiply the difference by the amount for
28 the same special education student in clause (3.1)(i)(C).

29 (E) Add the amounts in clauses (C) and (D) to determine the
30 amount paid by the school district.

1 (iv) In no case shall a payment made under subparagraph
2 (iii) exceed the amount allowed for the same student under
3 clause (3.1).

4 (v) If the amount determined under subparagraph (i) for a
5 student in Category 1 is greater than the amount determined for
6 a student under clause (3) for the 2021-2022 school year,
7 payment made by the school district of residence shall be based
8 on the provisions under clause (3.1), and the transition under
9 this clause shall expire.

10 (vi) The department shall develop guidelines to collect the
11 enrollment data required under this clause and calculate
12 estimated payments until actual enrollments are determined.

13 * * *

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