

taxes generated from the PSCIA and the PSBA. These funds are a major revenue source for charter schools to use for lease purchase arrangements to ensure they are in public buildings. The passage of HB-184 is not additional tax revenue for charter schools; it is simply correcting an unforeseen issue when the PSCIA and the PSBA were originally amended. The intent of the original amendments was to ensure charter schools received their proportionate share of these funds on a membership basis and this bill will ensure this continues to occur.

SIGNIFICANT ISSUES

HB-184 is a friendly amendment to current statute supported by the PED.

In 2007 and 2009 amendments were made to the PSBA and the PSIA. The amendments required school districts to include locally chartered and state chartered charters on the resolution submitted to the qualified electors whenever these tax impositions were renewed. The amendments also required the PED to certify annually to the local county treasurers the percentage of the revenue that should be distributed to each charter school. The percentage is based on 40th day membership of the prior year. The county treasurer shall then distribute the charter. These amendments have been in place for over 10 years and have given charter schools access to these respective funds. However, it was recently brought to the attention of the PED that certain charter schools were not receiving their proportionate share of the property tax revenues. After further study by the PED, it was discovered that certain gas and oil tax revenues generated from these two Acts are not always distributed by the local county treasurers. It was further discovered that these revenues are collected by the state and distributed directly to the school districts. Current statute does not take into account these situations where the county treasurers do not collect and distribute certain tax collections. HB-184 is simply requiring school districts to distribute the proportionate share calculated by the PED in instances where the local taxes are distributed directly to the school district. In essence certain school districts will distribute the funds exactly like the county treasurers are required to distribute them.

ADMINISTRATIVE IMPLICATIONS

The PED must ensure school districts are also notified with the percentage of revenues that should be distributed to their qualifying charter schools within their school districts.