

Senate Education Committee

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BILL SUMMARY Senate Bill 1129, Printer's No. 1319 Prime Sponsor: Dinniman

Summary

Senate Bill 1129 amends section 1308 (relating to liability for tuition and enforcement of payment) of the Public School Code of 1949.

Current law

Under current law, students may be placed in rehabilitative institutions outside of their school districts of residence if circumstances warrant such placements. The school district in which the student resides remains obligated to pay for these services. In many cases, the school district in which a rehabilitative institution is located contracts with an Intermediate Unit to provide the educational services or with the institution and the district acts as a pass-through for these funds. Delays in payment to the institution often result due to delays in payment from the school district of residence. Recently, law suits have been initiated against the host districts by the institution seeking payment. The bill is intended to protect a host district from being sued when there is a third party contractual arrangement.

Analysis

Senate Bill 1129 amends section 1308 (relating to liability for tuition and enforcement of payment) of the Public School Code of 1949 by adding a subsection to clarify that where a host district contracts with a third party for the provision of educational services, the third party may seek payment directly from the district of residence. Notice is to be given to the host district that payment has been sought. When payment is made to the third party, such payment shall satisfy and extinguish the contractual payment obligation of the host district.

The bill would take effect in 60 days.