

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 978 Session of
2007

INTRODUCED BY YUDICHAK, MANN, GRUCELA, FABRIZIO, BIANCUCCI,
CALTAGIRONE, CARROLL, COHEN, COSTA, DALEY, DALLY, DeLUCA,
DePASQUALE, EACHUS, FRANKEL, FREEMAN, GEORGE, HARHAI, HESS,
JAMES, JOSEPHS, KORTZ, KULA, LEACH, MANDERINO, MARKOSEK,
MUNDY, PETRARCA, SCAVELLO, SHAPIRO, McILVAINE SMITH, SOLOBAY,
SURRA, THOMAS, WALKO AND YOUNGBLOOD, MARCH 29, 2007

REFERRED TO COMMITTEE ON EDUCATION, MARCH 29, 2007

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," further providing for community
6 college financial programs.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 1913-A(b)(1) of the act of March 10, 1949
10 (P.L.30, No.14), known as the Public School Code of 1949,
11 amended July 13, 2005 (P.L.226, No.46), is amended and the
12 subsection is amended by adding a subsection to read:

13 Section 1913-A. Financial Program; Reimbursement of
14 Payments.--* * *

15 (b) (1) The Commonwealth shall pay to a community college
16 on behalf of the sponsor on account of its operating costs
17 during the fiscal year from funds appropriated for that purpose
18 an amount equal to:

(i) for the 1993-1994 fiscal year through the 2000-2001 fiscal year, the lesser of such college's variable State share ceiling as determined in clause (1.3) or such college's equivalent full-time student reimbursement as determined in clause (1.4);

(ii) for the 2001-2002 fiscal year through the 2004-2005 fiscal year, the college's equivalent full-time student reimbursement as determined in clause (1.4);

(iii) for the 2005-2006 fiscal year, the college's payment as determined in clause (1.5); and

(iv) for the 2006-2007 fiscal year and each fiscal year thereafter, the college's payment as determined in clause (1.6)[.], except as provided in clause (1.1).

(1.1) (i) For the 2007-2008 fiscal year and each fiscal year thereafter, all of the following shall occur:

(A) Upon approval of a general appropriations bill that provides for payments to a community college under clause (1.6), the department shall notify each community college of the percent increase from the prior year in its payment as determined in clause (1.6) and the inflation index.

(B) Within sixty (60) days of receipt of notification from the department, each community college shall certify to the department whether the percent increase from the prior year in the community college's combined tuition rate and fees for the applicable fiscal year exceeds the inflation index.

(C) For any community college, if the percent increase from the prior year in combined tuition rate and fees exceeds the inflation index, the percent increase from the prior year in the payment from the Commonwealth determined under clause (1.6) exceeds the inflation index and the percent increase from the

prior year in the budgeted appropriation for operating purposes from the local sponsor is less than the percent increase from the prior year in the payment from the Commonwealth determined under clause (1.6), all of the following shall apply:

(I) Within ninety (90) days of the certification required under paragraph (B), the board of trustees of the community college may resubmit its annual budget for consideration and approval by the local sponsor in order to propose a decrease in tuition rate and fees or an increase in the payment from the local sponsor and shall certify any changes adopted by the local sponsor to the department in a manner prescribed by the department.

(II) After taking into account any changes in the budget approved by the local sponsor, if the conditions under the introductory paragraph of this paragraph still apply, the department shall adjust the remaining payments owed the community college during the fiscal year such that the percent increase from the prior year in the payment from the Commonwealth on behalf of the community college's operating costs shall be equal to the greater of the percent increase from the prior year in the budgeted appropriation for operating purposes from the local sponsor or the inflation index. Except as provided in paragraph (D), payment shall not exceed the amount calculated under clause (1.6).

(D) Any portion of the payments calculated pursuant to clause (1.6) withheld as a result of the requirements in paragraph (C) shall be distributed to all other community colleges pursuant to the formula in clause (1.6) and this paragraph. Any amount that cannot be distributed shall lapse.

(ii) For the purpose of this clause, the inflation index

1 shall be defined as the most recent official figures, for the
2 12-month period ending the previous December 31 of the Consumer
3 Price Index for All Urban Consumers.

4 * * *

5 Section 2. This act shall take effect July 1, 2007, or
6 immediately, whichever is later.