

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2622 Session of
1998

INTRODUCED BY BELFANTI, LUCYK, KENNEY, HARHAI, BOSCOLA,
COLAIZZO, GORDNER, DALEY, M. COHEN, COWELL, McCALL, WALKO,
GIGLIOTTI, THOMAS, MELIO, SHANER, ROONEY, SAINATO, READSHAW,
CASORIO, CORPORA, CURRY, LAUGHLIN, YEWCIC, DeWEESE, ITKIN,
VEON, BELARDI, EACHUS, TIGUE, BLAUM, MUNDY, MANDERINO,
BUXTON, WOGAN AND STEELMAN, MAY 11, 1998

REFERRED TO COMMITTEE ON EDUCATION, MAY 11, 1998

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 distressed
6 school districts of the first class.

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

9 Section 1. Section 696 of the act of March 10, 1949 (P.L.30,
10 No.14), known as the Public School Code of 1949, added April 27,
11 1998 (P.L. , No.46), is amended to read:

12 Section 696. Distress in School Districts of the First
13 Class.--(a) The Secretary of Education shall appoint a chief
14 executive officer within fifteen (15) days after a declaration
15 by the Secretary of Education that a school district of the
16 first class is distressed under section 691(c) to oversee and
17 manage the school district. The chief executive officer shall
18 serve at the pleasure of the Secretary of Education.

1 (b) The chief executive officer and the School Reform
2 Commission shall assume control of the affairs of the district.
3 Except as provided in this section, the chief executive officer
4 shall assume the powers and duties of the superintendent and the
5 board of school directors until termination of the period of
6 distress under subsection (n).

7 (c) Upon the appointment of the chief executive officer, the
8 superintendent shall be suspended or dismissed and the powers
9 and duties of the board of school directors shall be suspended.

10 (d) Within fifteen (15) days of a declaration by the
11 Secretary of Education that a school district of the first class
12 is distressed under section 691(c), a five member School Reform
13 Commission shall be established. Members shall serve at the
14 pleasure of the appointing authority. The School Reform
15 Commission shall consist of the following:

16 (1) Three members appointed by the Governor, at least two of
17 whom shall be residents of the school district.

18 (2) One member appointed by the mayor who shall be a
19 resident of the school district. In the event the mayor fails to
20 appoint the member to the commission within fifteen (15) days of
21 the date the Secretary of Education declared the district to be
22 distressed, the Governor shall appoint the remaining member.

23 (3) The Secretary of Education, who shall serve as chairman,
24 or his designee.

25 (e) The School Reform Commission shall advise and assist the
26 chief executive officer regarding the operation, management and
27 educational program of the school district. The powers and
28 duties granted heretofore to the board of school directors of a
29 school district of the first class under this act or any other
30 law regarding the authority to levy taxes and incur debt shall

1 be vested in the School Reform Commission until the Secretary of
2 Education issues a declaration under subsection (n).

3 (f) The commission members shall be reimbursed for expenses
4 incurred in the performance of their official duties from funds
5 of the Department of Education.

6 (g) Actions of the School Reform Commission shall be by
7 majority vote. Three members shall constitute a quorum.

8 (h) The chief executive officer and the School Reform
9 Commission shall direct financial matters related to the
10 distressed school district of the first class and:

11 (1) All taxes authorized to be levied by a school district
12 of the first class or for a school district of the first class
13 by a city or county of the first class shall continue to be
14 levied in accordance with this act and shall be transmitted to
15 the school district. For the first fiscal year or part thereof,
16 and every fiscal year thereafter in which the school district is
17 declared to be distressed, the amount levied, collected and
18 transmitted for each tax shall be in an amount not less than the
19 highest amount paid by the city or county to the school district
20 during any of the three full preceding fiscal years. In
21 addition, the city of the first class shall provide to the
22 school district of the first class all other available local
23 non-tax revenue, including grants, subsidies or payments made
24 during the prior year.

25 (2) In addition to the moneys collected under paragraph (1),
26 the city of the first class shall remit to the school district
27 of the first class for each year that the school district is
28 declared distressed, that portion of all other local tax revenue
29 levied for a full fiscal year by a city or county of the first
30 class coterminous with a school district of the first class that

1 was allocated to the school district prior to the school
2 district being declared distressed in accordance with section
3 691(c).

4 (3) All taxes collected on behalf of a school district of
5 the first class by any person or entity, including a city or
6 county of the first class shall be promptly paid following
7 collection to the chief executive officer for the benefit of the
8 school district.

9 (4) In the event the city or county of the first class does
10 not meet the financial obligations prescribed in this
11 subsection, the Commonwealth may apply to that obligation any
12 amounts otherwise due from the Commonwealth to the city or
13 county of the first class including, but not limited to, grants,
14 awards and moneys collected by the Commonwealth on behalf of the
15 city or county of the first class. Funds withheld shall be
16 maintained in a separate account by the State Treasurer to be
17 disbursed as determined by the Secretary of Education in
18 consultation with the State Treasurer.

19 (5) The chief executive officer shall develop and adopt a
20 budget with the assistance of the School Reform Commission.

21 [(i) In addition to all powers granted to the superintendent
22 by law and a special board of control under section 693, and
23 notwithstanding any other law to the contrary, the chief
24 executive officer shall have the following powers:

25 (1) To appoint such persons and other entities as needed to
26 conduct fiscal and performance audits and other necessary
27 analyses.

28 (2) Except as otherwise provided for in this section, to
29 approve the establishment of a charter school or the conversion
30 of an existing school to a charter school pursuant to the

1 provisions of Article XVII-A.

2 (i) A school district building converted to a charter school
3 or a charter school otherwise approved under this section shall
4 not be subject to sections 1717-A(b), (c), (d), (e), (f) and
5 (g), 1722-A(c) and 1724-A.

6 (ii) The chief executive officer may suspend or revoke a
7 charter pursuant to section 1729-A.

8 (3) To suspend the requirements of this act and regulations
9 of the State Board of Education except that the school district
10 shall remain subject to those provisions of this act and
11 regulations set forth in section 1732-A(a), (b) and (c).

12 (4) To employ professional and senior management employees
13 who do not hold State certification if the School Reform
14 Commission has approved the qualifications of the person at a
15 salary established by the commission.

16 (5) To enter into contracts with for-profit or nonprofit
17 entities for the purpose of operating schools or providing
18 educational or other services to or for the school district.

19 (6) Notwithstanding any other provisions of this act, to
20 close or reconstitute a school, including the reassignment,
21 suspension or dismissal of professional employees.

22 (7) To suspend professional employees without regard to the
23 provisions of section 1125.1.

24 (8) To appoint managers or management teams to oversee the
25 operations of a school or group of schools within the school
26 district.

27 (9) To reallocate resources, amend school procedures,
28 develop achievement plans and implement testing or other
29 evaluation procedures for educational purposes.

30 (10) To supervise and direct principals, teachers and

1 administrators.

2 (11) To negotiate any memoranda of understanding under the
3 collective bargaining agreement in existence on the effective
4 date of this section.

5 (12) To negotiate a new collective bargaining agreement.]

6 (j) The board of school directors of the distressed school
7 district of the first class shall continue in office for the
8 remainder of their terms during the time the district is
9 operated by the chief executive officer and the commission
10 unless removed for neglect of duty under section 318 by the
11 court of common pleas, or unless the director is elected to
12 another position not compatible with the position of school
13 director or is appointed to a position for which there is a
14 requirement that the appointee shall hold no elective office.
15 The board of school directors shall perform any duties delegated
16 to it by the commission. The assumption of control by the chief
17 executive officer and the School Reform Commission shall not
18 interfere with the regular selection of school directors for the
19 school district of the first class.

20 [(k) Collective bargaining between employees and the school
21 district of the first class shall be conducted in accordance
22 with this subsection.

23 (1) Whether or not a declaration of distress has been made
24 under section 691(c), a collective bargaining agreement in
25 effect on the effective date of this section shall not be
26 extended and shall have no force or effect beyond the existing
27 term of the contract notwithstanding any other law to the
28 contrary.

29 (2) No distressed school district of the first class shall
30 be required to engage in collective bargaining negotiations or

1 enter into memoranda of understanding, or other agreements
2 regarding any of the following issues:

3 (i) Contracts with third parties for the provision of goods
4 or services, including educational services or the potential
5 impact of such contracts on employees.

6 (ii) Decisions related to reductions in force.

7 (iii) Staffing patterns and assignments, class schedules,
8 academic calendar, places of instruction, pupil assessment and
9 teacher preparation time.

10 (iv) The use, continuation or expansion of programs
11 designated by the chief executive officer as pilot or
12 experimental programs.

13 (v) The approval or designation of a school as a charter or
14 magnet school.

15 (vi) The use of technology to provide instructional or other
16 services.

17 (3) A collective bargaining agreement for professional
18 employees entered into after the expiration of the agreement in
19 effect on the date of the declaration of distress shall provide
20 for the following:

21 (i) A school day for professional employees that is equal to
22 or exceeds the State average as determined by the department. An
23 extension of the school day resulting from this requirement
24 shall be used exclusively for instructional time for students.

25 (ii) The number of instructional days shall be equal to or
26 exceed the State average number of instructional days.

27 (iii) The chief executive officer and the commission shall
28 not increase compensation for employees solely to fulfill the
29 requirements under subparagraphs (i) and (ii).

30 (4) A provision in any contract in effect on the date of the

1 declaration of distress under this subsection that is in
2 conflict with this subsection shall be discontinued in any new
3 or renewed contract.

4 (5) Nothing in this subsection shall eliminate, supersede or
5 preempt any provision of an existing collective bargaining
6 agreement until the expiration of the agreement unless otherwise
7 authorized by law.

8 (6) If, upon the termination of a collective bargaining
9 agreement in effect on the date of the declaration of distress
10 under this section, a new collective bargaining agreement has
11 not been ratified, the Secretary of Education shall establish a
12 personnel salary schedule to be used until a new agreement is
13 ratified.

14 (1) During the time the school district of the first class
15 is under the direction of the chief executive officer, all
16 school employees shall be prohibited from engaging in any strike
17 as defined in Article XI-A and section 301 of the act of July
18 23, 1970 (P.L.563, No.195), known as the Public Employee
19 Relations Act. The Secretary of Education may suspend the
20 certificate of an employee who violates this subsection.]

21 (m) If a vacancy occurs in the position of chief executive
22 officer, the Secretary of Education may implement a temporary
23 transfer of all powers and duties of the chief executive officer
24 to the School Reform Commission until a new chief executive
25 officer is appointed.

26 (n) The Secretary of Education, upon the recommendation of
27 the chief executive officer and with the concurrence of a
28 majority of the School Reform Commission, may issue a
29 declaration to dissolve the commission and terminate the
30 services of the chief executive officer. The dissolution

1 declaration shall be effective ninety (90) days after issuance
2 by the Secretary of Education.

3 (o) The provisions of this section are severable. If any
4 provision of this section or its application to any person or
5 circumstance is held invalid, the invalidity shall not affect
6 the remaining provisions or applications.

7 Section 2. Sections 26, 27, 28(a) and 29(2) of the act of
8 April 27, 1998 (P.L. , No.46), entitled "An act amending the
9 act of March 10, 1949 (P.L.30, No.14), entitled 'An act relating
10 to the public school system, including certain provisions
11 applicable as well to private and parochial schools; amending,
12 revising, consolidating and changing the laws relating thereto,'
13 further providing for auxiliary services and for the definitions
14 of 'school year' and 'children in low-income families';
15 authorizing school districts to impose dress codes and require
16 students to wear standard dress or uniforms; further providing
17 for distressed school districts and for basic education grants
18 and higher education grants for the Link-to-Learn Program;
19 providing for certain procedures relating to management of
20 distressed first class school districts and for technology
21 grants to nonpublic and private schools; further providing for
22 community college reimbursements, small school district
23 assistance, basic education funding payments to intermediate
24 units, special education payments to school districts, school
25 performance incentives and charter school grants; providing for
26 community education councils, for the operation of the State
27 System of Higher Education, for payments on account of
28 transportation of nonpublic school pupils, for temporary special
29 aid to school districts suffering loss of tax revenue due to
30 reduction in assessed valuation of taxable property and for

- 1 incentives for administrative and instructional consolidation;
- 2 and making repeals," are repealed.
- 3 Section 3. This act shall take effect immediately.