



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 874

PRINTERS NO. 969

PRIME SPONSOR: Vance

COST / (SAVINGS)

FUND	FY 2013/14	FY 2014/15
General Fund	\$0	\$0

SUMMARY:

Senate Bill 874 amends the Public School Code concerning community college financial programs and reimbursements. It would take effect in 60 days.

ANALYSIS:

This legislation allows a community college that meets certain criteria to negotiate a financial program and payments with its local sponsor different from what is provided for under current law. In order to do so, the community college must be sponsored by one or more school districts and have an enrollment head count in excess of 20,000 and consist of more than four campuses that are approved by both the Department of Education and the Middle States Association of Colleges and Schools.

Such a community college may negotiate a financial program for the operation of the community college with the governing body of the local sponsor to determine how much the local sponsor must provide. The amount negotiated may not exceed the sum of an amount at least equal to the community college's annual operating costs less student tuition and the Commonwealth's payment; and one-half of the annual capital expenses of the community college. The local sponsor's appropriation for annual operating costs and annual capital expenses may in part be represented by real or personal property or services made available to the community college. The plan must indicate whether the appropriation will come from general revenues, loan funds, special tax levies or from other sources, including student tuitions.

FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: June 23, 2014

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.