



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1210

PRINTERS NO. 3867

PRIME SPONSOR: Jones

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
General Fund	\$0	See Fiscal Impact

SUMMARY:

House Bill 1210 amends and repeals various provisions of the Public School Code of 1949. Effective dates vary by provision.

ANALYSIS:

This legislation makes extensive revisions, deletions and additions to provisions found throughout the Public School Code. Below is a list of the sections and articles of the School Code added or significantly amended by this legislation.

Section 112. Report of Racial and Ethnic Groupings. - Repealed.

Section 113. Study of Public Schools that Provide Internet Instruction. - Repealed.

Section 122. Special Education Funding Commission. - This section is amended to change the due date of the commission's report from November 30, 2019 to September 30, 2020.

Section 123. Basic Education Funding Commission. - This section is amended to reconstitute the Commission on July 1, 2022 and have the Commission issue a report not later than November 30, 2023.

Section 212. Corporate Seal. - Repealed.

Section 292. Submission of Plans. - Repealed.

Section 294. Disapproval of Plans. - Repealed.

Section 295. Department of Public Instruction to Prepare Plans. - Repealed.

Section 296. Establishment of Reorganized School Districts. - Repealed.

Section 297. Advance Establishment. - Repealed.

Section 510.1. Special School Watchmen-School Districts in Townships of the Second Class. - Repealed.

Section 519. Copies of School Laws. - Repealed.

Section 523(a). Educational Broadcasting. - Repealed.

Section 689. Payroll Tax. - Changes to this section allow a school district coterminous with a home rule municipality that is a city of the second class A located within a home rule county of the third class to replace a mercantile or business privilege tax with a payroll tax that generates the same amount of revenue as the last full fiscal year preceding the levy of the payroll tax. This imposition of a payroll tax will not be subject to a referendum requirement. This will apply to the Scranton School District.

Section 705. Residences for Teachers and Janitors. - Repealed.

Section 732.1. Limitation on New Applications for Department of Education Approval of Public School Building Projects. - This section is amended to extend the moratorium on the acceptance of new Plancon projects through the 2020-21 fiscal year.

Section 736. Heating Stoves to be Shielded. - Repealed.

Section 737. Ventilation; Thermometer. - Repealed.

Section 738. Fireproof Construction. - Repealed.

Section 739. Doors to Open Outward; Fire Escapes; etc. - Repealed.

Section 760. Completion of Abandoned WPA Projects, Districts Third and Fourth Class. - Repealed.

Section 772. Condition of Grounds; Shade Trees. - Repealed.

Section 1208. Summer Schools, etc. - Repealed.

Section 1317.1. Possession of Telephone Pagers Prohibited. - Repealed.

Section 1337(f). Nonprofit School Food Program - Studies, Appraisals and Reports to Governor. - Repealed.

Section 1338.2. Antitruancy Programs. - Repealed.

Section 1378. Medical Care for Children Under Six with Defective Hearing. - Repealed.

Section 1308-A. Report. - Repealed.

Section 1306-B. School Safety and Security Grant Program. – This section is amended to allow the School Safety and Security Fund to accept federal CARES Act funds to provide for 2020-21 COVID-19 disaster emergency school health and safety grants to school entities.

Section 1312-B. COVID-19 disaster emergency school health and safety grants for 2020-2021 school year. – This new section in the School Safety and Security article allows the School Safety and Security Committee to provide for 2020-21 COVID-19 disaster emergency school health and safety grants to school entities for purposes outlined in this section. The School Safety and Security Committee must allocate COVID-19 disaster emergency school health and safety grants to each school entity that makes an application for grants on or before July 15, 2020. Each school district receives a minimum of \$120,000 and each intermediate unit, career and technical center, charter school, regional charter school and cyber charter school receives \$90,000. Any funds remaining after these minimum distributions will be distributed to school districts pro rata based on the districts' 2018-19 average daily membership. The section also outlines provisions concerning applications and audit and monitoring and stipulates that these grants need not be included when school districts calculate the amount to be paid to charter schools.

Section 1313-B. COVID-19 disaster emergency targeted health and safety grants for 2020-2021 school year. – This new section allows Intermediate Units (IU) to make applications to the School Safety and Security Committee on behalf of nonpublic schools within the IU. The School Safety and Security Committee must allocate COVID-19 disaster emergency targeted health and safety grants to IUs on behalf of nonpublic schools that make applications for grants by August 1, 2020. Each grant will be limited to no more than \$10,000. The section also outlines provisions concerning applications and audit and monitoring.

Section 1414. Care and Treatment of Pupils. – Repealed.

Section 1422.1. Local Wellness Policy. – Repealed.

Section 1501.9. Minimum Number of School Days. – This new section states that the minimum number of school days mandated in the School Code shall apply even during a disaster emergency issued by the Governor.

Section 1522. Foreign Language Academies. – Repealed.

Section 1534. Monthly Reports to School Directors; Districts Second, Third and Fourth Class. – Repealed.

Article XV-B. Read to Succeed Program. – Repealed.

Section 1503-E(10). Department Duties and Powers. – Repealed.

Section 1804. Schools or Classes; Supervisors; Principals; Instructors, etc. – Repealed.

Section 1811. Estimate of Expenses and Reimbursements; Appropriations. – Repealed.

Section 1923. Teachers of Evening Schools. – Repealed.

Section 1913-A. Financial Program; Reimbursement of Payments – This section is amended to provide for a community college funding formula for the 2020-21 fiscal year in an amount equal to the amount provided for the 2019-20 fiscal year.

Section 1917-A. Community College Capital Fund. – This section is amended to add that payments from this fund may only be made to community colleges that received a payment from the community college operating appropriation distributed in accordance with Section 1917-A in the prior fiscal year.

Section 1905-G. Designation and board of trustees. – This section is amended to state that following the expiration of the initial terms assigned to the members of the rural regional college board of trustees, no member may serve for more than an additional three consecutive terms.

Section 2002-C. Duties of public institutions of higher education. (in part). – Repealed.

Section 2001-I. Public Higher Education Funding Commission. – The issue date of the Commission's report is moved from November 30, 2020 to November 30, 2021.

Article XXII-A. Medical Education Loan Assistance. – Repealed.

Section 2324. State Aid for Fiscal Year 2020-2021 - This new section provides for a library funding formula for the 2020-21 fiscal year, which distributes the funding proportionately based upon the funding in the 2019-20 fiscal year. It also allows the State Librarian, in the event of a change in direct service area from one library to another, upon agreement of the affected libraries, to redistribute the local library share of aid to the library currently servicing the area.

Section 2502.53. Student-Weighted Basic Education Funding – This section is amended to provide for the distribution of basic education funding for 2019-20 in the same amounts as 2018-19.

Section 2509.1. Payments to Intermediate Units – This section provides for the distribution of funding for intermediate units for the 2020-21 fiscal year.

Section 2509.5. Special Education Payments to School Districts. -- This section is amended to provide for the distribution of special education funding for 2020-21 in the same amounts as 2019-20.

Section 2510.3 Assistance to School District Declared to be in Financial Recovery Status or Identified for Financial Watch Status – This section is amended to extend, for the 2020-21 fiscal year, the amount of unencumbered funds PDE may utilize to pay for technical assistance to Financial Watch and Financial Recovery School Districts. The amount is \$7 million.

Section 2541. Payments on Account of Pupil Transportation. – Beginning with the 2020-21 fiscal year, the Secretary of Education must report on a quarterly basis in person to the Secretary of the Budget chairpersons and minority chairpersons of the Appropriations Committees of the House and Senate, information documenting all payments from the appropriation for pupil transportation during the fiscal year and a revised estimate of the funds needed to make the required payments for the remainder of the fiscal year.

Section 2596. Special Study on the Revenue Impact of Out-of-State Tax Credits. – Repealed.

Section 2599.7. Payment of Required Contribution for Public School Employee’s Social Security – Beginning with the 2020-21 fiscal year, the Secretary of Education must report on a quarterly basis in person to the Secretary of the Budget chairpersons and minority chairpersons of the Appropriations Committees of the House and Senate, information documenting all wages from which payments are calculated for payments on account of Social Security deductions for the fiscal year, the required payment amounts during the fiscal year and a revised estimate of the funds needed to make the required payments for the remainder of the fiscal year. The Department must ensure payments made from the appropriation for basic education funding are reported separately in the Commonwealth’s accounting system.

FISCAL IMPACT:

The amended formula for community colleges in Section 1913-A requires a minimum of \$243,855,000 for 2020-21, which is provided for in the 2020-21 General Fund budget.

The changes to the Student-Weighted Basic Education Funding in Section 2502.53 will require \$6,255,079,000 in 2020-21, which is provided for in the 2020-21 General Fund budget.

The change to Section 2510.3 will allow for the use of up to \$7,000,000 in unexpended funds for school districts declared to be in financial recovery or financial watch status, the expenditure of which will be dependent upon the availability of such funds within PDE.

The changes to Special Education Payments to School Districts in Section 2509.5 will require \$1,097,136,000 in 2020-21, which is provided for in the 2020-21 General Fund budget.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: May 28, 2020

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