

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 1296

PRINTER'S NO. 1983

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

October 17, 2011

PRIME SPONSOR

Senator Piccola

HISTORY OF BILL

Referred to EDUCATION, Oct. 17, 2011

Reported as amended, March 6, 2012

First consideration, March 6, 2012

Re-referred to APPROPRIATIONS, March 14, 2012

Re-reported as committed, April 2, 2012

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1296 establishes new requirements in the Public School Code for superintendent and assistant superintendent contracts.

The bill requires contracts where the individual has no prior experience to be no more than three years in duration and be subject to the Right-to-Know Law.

It requires a contract to specify the following information: 1) mutual and complete agreement between the parties with respect to the terms and conditions of employment; 2) the duties, responsibilities and performance expectations, including standards and assessment; 3) provisions related to compensation; 4) term of the contract, including language stating that it will terminate immediately upon expiration unless allowed to renew automatically; 5) provisions related to termination, buyout, severance and post employment; 6) provisions related to the scope of outside work that may be performed; 7) a provision requiring all modifications be made in writing; 8) a provision stating the contract shall be governed by the laws of this Commonwealth; 9) provisions limiting compensation for unused sick leave and the transfer of sick leave from previous employment to not more than 30 days; and, 10) provisions related to post retirement benefits and the period of time they are to be provided.

Senate Bill 1296 limits compensation under severance agreements. If a severance agreement takes effect two years or more prior to the end of the contract term, the agreement cannot exceed the value of one year's compensation and benefits. If a severance agreement takes effect less than two years prior to the end of the contract term, the agreement cannot exceed the value of one-half the total compensation due for the remainder of the contract.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The bill requires a contract to include objective performance standards which are mutually agreed to and may be based on the following: 1) achievement of annually measurable objectives established by the school district; 2) achievement on the Pennsylvania System of School Assessment tests; 3) achievement on Keystone Exams; 4) student growth as measured by the Pennsylvania Value Added Assessment System; 5) attrition rates or graduation rates; 6) financial management standards; 7) standards of operation excellence; or 9) any other criteria deemed relevant by the parties. It requires the school board annually conduct a written performance assessment and post the objective performance standards contained in the contract, the date of the performance assessment and whether or not the superintendent has met the standards on its publically accessible Internet website. It also provides that the State Board of Education may promulgate regulations in order to implement the section related to the performance review.

It provides for the termination of contracts and requires that school boards publically disclose, at the next regularly scheduled meeting, the cause or reason for the termination of the contract.

The bill repeals provisions related to the length of contracts in the school district of the first class.

The provisions contained in the legislation are applicable to contracts entered into or renewed on or after the effective date.

The legislation is scheduled to take effect in 60 days.

FISCAL IMPACT:

The enactment of Senate Bill 1296 will have no adverse fiscal impact on Commonwealth funds.