

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 1141

**PRINTER'S NO.** 2200

**AMOUNT**

Implements the provisions for the 2013 General Appropriations Act

\$750,000 New Revenue

**FUND**

General Fund

Professional Educator Discipline Account

**DATE INTRODUCED**

April 9, 2013

**PRIME SPONSOR**

Representative Saylor

**HISTORY OF BILL**

Referred to EDUCATION, April 9, 2013  
Reported as committed, June 4, 2013  
First consideration, June 4, 2013  
Re-committed to RULES, June 4, 2013  
Re-reported as committed, June 10, 2013  
Second consideration, June 10, 2013  
Re-committed to APPROPRIATIONS, June 10, 2013  
Re-reported as committed, June 11, 2013  
Third consideration and final passage, June 11, 2013 (200-0)  
In the Senate  
Referred to EDUCATION, June 14, 2013  
Reported as committed, June 19, 2013  
First consideration, June 19, 2013  
Second consideration, June 20, 2013  
Re-referred to APPROPRIATIONS, June 20, 2013  
Re-reported as amended, June 30, 2013

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 1141 makes several changes and adds new provisions to the Public School Code of 1949 as follows:

Special Education Funding Commission Report – Moves the date by which the Special Education Funding Commission’s report of its findings and recommendations is due from September 30, 2013 to November 30, 2013.

Budget Reopener – Provides for a permanent provision to allow a school district to reopen its budgets to reflect appropriations made in the General Appropriations Act.

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School District Budget Submission – Provides for a school district to make the required submission of its final adopted budget to the Education Committee of the Senate and the Education Committee of the House of Representatives electronically.

PLANCON Moratorium – Extends the PLANCON moratorium prohibiting the Department of Education from approving new school building construction or reconstruction applications for fiscal year 2013-2014. Provides for the department to conduct a Statewide analysis of school facilities and future capital needs and submit a preliminary report on the analysis by May 1, 2014.

Health Certificates – Removes provisions requiring submission of a health certificate to obtain teacher certification.

Professional Educator Discipline Fee – Provides for an applicant for teacher certification to pay a \$25 professional educator discipline fee. Establishes a restricted receipt account to be known as the Professional Educator Discipline Account to be funded from the fees collected and interest. Provides that funds in the account shall be appropriated to the Department of Education for administration, enforcement and adjudication by the department and the Professional Standards and Practices Commission. Provides that the department may increase the fee if it determines the cost of enforcement exceeds revenue generated by the fee and other fees, fines and penalties under the Professional Educator Discipline Act.

Community College Funding – Provides for the distribution of community college funding for the 2013-2014 fiscal year at the same amount for each community college as in the current year.

Basic Education Funding – Provides for the distribution of \$5,523,294,602 in basic education funding to school districts, an increase of \$129,857,337, or 2.4 percent. It is estimated that \$2,834,298 will be deposited into the Financial Recovery School District Transitional Loan Account.

Vocational Educational Equipment Funding – Provides for the distribution of \$3,000,000 in funding for area vocational technical schools and school districts to purchase equipment that meets industry standards. Provides for fifty percent of the funds to be distributed on a pro rata basis based on average daily membership and the other fifty percent of the funds to be distributed as equal grants based on the number of participating schools. Requires the schools to apply for the funds.

Intermediate Unit Funding – Provides for an amount equal to 5.5 percent of the Special Education appropriation be utilized for intermediate unit core services in fiscal year 2013-2014, the same amount as the current year.

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## **FISCAL NOTE**

PHEAA Distance Education Grant Program – Provides that PHEAA may award from funds appropriated, allocated or otherwise made available to it, grants to students who are enrolled in approved distance education programs operated by an institution of higher education that participates in the State grant program and is domiciled and headquartered with its principal physical location in the Commonwealth. Provides that grants may not exceed the amount provided under the State grant program in the same year. Provides that institutions of higher education may submit an application to PHEAA or approval to participate in the program. Requires approved distance education programs to meet the following criteria for approval: be at least two academic years in length; lead to a recognized academic credential; allow the student to take more the fifty percent of the required credits; and, be pursued on a full-time or at least half-time basis.

Special Education Funding – Provides for the distribution of the special education subsidy to school districts for the 2013-14 fiscal year at the same amount for each school district as in the current year.

Use of Unexpended Funds – Provides the Department of Education may utilize up to \$4,500,000 in funds not expended or encumbered from appropriations to the department to assist school districts declared to be in financial recovery status or identified for financial watch status. Requires the Department to transfer \$7,500,000 in funds not expended or encumbered from appropriations to the department to the Financial Recovery School District Transitional Loan Account to make loans to fiscal recovery school districts.

Pennsylvania Accountability Grants – Provides for the distribution of funds appropriated for the 2013-2014 fiscal year on a pro rata basis.

### **FISCAL IMPACT:**

The provisions providing the distribution of funding for Community Colleges, Basic Education Funding, Intermediate Unit Funding, Special Education Funding, Vocational Education Funding and Pennsylvania Accountability Grants implement the provisions contained in the 2013 General Appropriations Act and will have no fiscal impact beyond the appropriations contained therein.

The Department of Education estimated that the enactment of provisions providing for an applicant for teacher certification to pay a \$25 professional education discipline fee will generate approximately \$750,000 on an annual basis that will be used to offset cost related to professional educator discipline.

Funding for the PHEAA distance education grant program will be dependent on funds contributed by the agency for this purpose.