

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 874

PRINTER'S NO. 969

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

April 23, 2013

PRIME SPONSOR

Senator Vance

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 874 amends Section 1913-A (Financial Program; Reimbursement of Payments) of the Public School Code to provide that the local sponsor of a community college that meets certain criteria may negotiate the amount it contributes on behalf of the community college's annual operating and capital expenses.

The specific criteria the community college must meet to negotiate the contribution amount are as follows: (1) sponsorship by one or more school districts; (2) enrollment head count in excess of 20,000 students; and (3) more than four campuses approved by the Department of Education and the Middle States Association. This criteria applies to only the Harrisburg Area Community College (HACC).

The bill provides that the negotiated contribution amount shall not exceed an amount equal to the community college's annual operating costs, less student tuition, less the Commonwealth's payment and one-half of the community college's annual capital expenses. It provides that the local sponsor's appropriation may in part be represented by real or personal property or services made available to the community college and that its funding plan shall indicate whether the appropriation comes from general revenues, loan funds, special tax levies or other sources, including student tuition.

The bill defines "enrollment head count" as the number of students enrolled on a full-time or part-time basis at a community college in the immediately preceding fall semester.

The legislation is scheduled to become effective in 60 days.

FISCAL IMPACT:

The enactment of Senate Bill 874 will have no adverse fiscal impact on Commonwealth funds.