

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 301

**PRINTER NO.** 2311

**AMOUNT**

See Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

March 10, 2023

**PRIME SPONSOR**

Representative Harkins

**DESCRIPTION**

House Bill 301 amends the Public School Code to make the following changes:

**Updates Terms Related to Physical or Mental Disabilities**

The legislation amends several sections of the law to update antiquated terms related to physical and mental disabilities with modern terms.

*Fiscal Impact: These provisions will have no fiscal impact on Commonwealth funds.*

**Student Teacher Flexibility**

The legislation makes permanent provisions contained in Section 129 (Special Provisions Applicable to Limited School Years) to allow a school entity to hire an annuitant to fill a substitute teacher position without having to attempt to secure nonretired teachers.

The legislation extends provisions contained in Section 1201.1 (Substitute Teaching Permit for Prospective Teachers) to allow a prospective teacher to serve as a substitute for an unlimited number of days, while providing that a student teacher may serve as a substitute for no more than 10 days through the 2025-2026 school year.

The legislation makes permanent provisions contained in Section 1215 (Locally Issued Temporary Certification for Substitute Teachers) to allow a substitute teacher with a locally issued temporary certificate to serve for more than 20 consecutive days.

The legislation reauthorizes Section 1218 (Permit for Classroom Monitors) to allow a school entity to issue classroom monitor permits to individuals to deliver preplanned assignments to students through the 2025-2026 school year. It also requires a school entity to report classroom monitor information and day-to-day substitute teacher compensation rates to the Department of Education (department) and for the department to report and make recommendations on the effectiveness and continuation of the classroom monitor permit in 2026.

*Fiscal Impact: These provisions will have no fiscal impact on Commonwealth funds. The Department of Education has indicated that it does not anticipate incurring*

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

*additional costs related to the provisions contained in the legislation which provide flexibility for filling substitute teacher positions.*

### **School Construction and Maintenance Program**

The legislation makes the PLANCON moratorium prohibiting the Department of Education from approving new school building construction or reconstruction applications permanent. It also extends the applicability date for provisions contained in Act 70 of 2019 that provide for a new program for school construction and renovation project reimbursement and grants from July 1, 2023, to July 1, 2024.

*Fiscal Impact: These provisions will have no fiscal impact on Commonwealth funds.*

### **School Safety**

The legislation eliminates the Office of Safe Schools (office) in the department and transfers duties and responsibilities related to school safety and security to the School Safety and Security Committee (committee) under the Pennsylvania Commission on Crime and Delinquency (PCCD). The office's remaining duties are transferred to the department.

The legislation provides for the committee to promulgate final-omit regulations, in consultation with the department, no later than three years after the effective date of the legislation on a model memorandum of understanding between school entities and local law enforcement and protocols for notification of law enforcement. Currently, the law provides the State Board of Education with the duty to develop these regulations.

The legislation moves provisions related to the Safe Schools Advocate in School Districts of the First Class from Article XIII-A (Safe Schools) of the Public School Code to Article XIII-B (School Safety and Security).

The legislation adds the Homeland Security Director as a nonvoting member of the committee. It establishes an Executive Committee of the committee, which is required to meet, at a minimum, every two months to identify and review current and emerging school safety issues. It requires the Executive Committee to include, at a minimum: the chair of the committee, the Attorney General, Commissioner of the Pennsylvania State Police, Director of the Pennsylvania Emergency Management Agency or their designees, and the four legislative members of the committee. It also provides for the Attorney General to serve as chairperson of the Executive Committee and that the Executive Committee may add other members of the committee as necessary.

The legislation requires the committee to commit funds related to school safety and security grants and mental health to school entities for Fiscal Year 2023-24 no later than March 31, 2024, and for Fiscal Year 2024-25 and each year thereafter, no later than December 31. It expands the allowable grant uses for mental health and safety and security to include school-based diversion programs, intervention programs and education practices to assist students with persistent and disruptive and violent behavior and includes the hiring of qualified professional staff members to provide assistance and services to these programs. It also requires grant applicants to comply with state and local procurement rules when expending grant funds.

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

The legislation moves the Safe Schools Targeted Grants Program to the committee and renames it the Targeted School Safety Grants for Nonpublic Schools and School Entities Program. It provides for \$20,700,000 appropriated to the department for the Safe Schools Initiative to be transferred to PCCD for distribution of grants under the program. It also requires that for the 2023-24 fiscal year and each year thereafter, the combined amount of grants awarded to intermediate units on behalf of nonpublic schools and for costs associated with a nonpublic school obtaining the services of school security personnel to be no less than \$14,551,000.

The legislation transfers \$100,000,000 appropriated for COVID – Relief – ARPA – School Mental Health Grants to the School Safety and Security Fund (fund). The legislation provides for \$90,000,000 in the fund to be distributed to school entities for school mental health grants for the 2023-2024 school year. It provides for each school district to receive a base grant of \$100,000 and a pro rata share of \$20,740,000 based on school districts adjusted average daily membership. It also provides for each intermediate unit, area career and technical school, charter school, regional charter school or cyber charter school to receive \$70,000.

The legislation provides for \$5,000,000 in the fund to be transferred to the department for training school-based mental health professionals and to establish pathways to certification for school-based mental health professionals.

The legislation provides for \$5,000,000 from the fund to be transferred to the Pennsylvania Higher Education Assistance Agency (PHEAA) for the School-Based Mental Health Internship Grant Program.

The legislation provides that a county or multi-counties may establish a safe schools' collaborative to promote and develop best practices for emergency responses involving school safety and security through an emergency preparedness planning approach. It provides for the collaborative to provide assistance to school districts and emergency responders and to meet at least quarterly to develop safe and secure schools and recommend best practices as part of implementation of a countywide or multi-county safe schools' plan. It requires the Pennsylvania Emergency Management Agency (PEMA), the State Police and the Office of Homeland Security to provide technical assistance to establish a safe schools' collaborative and report to the School Safety and Security Committee the number of requests for assistance. It provides that reports to the committee are not subject to the Right-To-Know Law, which is consistent with other data relating to school safety and security collected by the committee.

*Fiscal Impact: The Pennsylvania Commission on Crime and Delinquency estimates that the administrative responsibilities transferred to it from the Office of Safe Schools will cost \$315,000 annually. This amount includes salary and benefits for three additional staff and operating costs.*

*The cost for PEMA, the State Police and the Office of Homeland Security to provide safe schools' collaboratives with technical assistance will be minimal to the state agencies and can be accomplished within their existing operating budgets as it is routine to their expertise.*

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

*The provisions directing funds for Targeted School Safety Grants for Nonpublic Schools and School Entities, School Mental Health Grants, training for school-based mental health professionals, the establishment of pathways to certification for school-based mental health professionals and PHEAA’s School-Based Mental Health Internship Grant Program will have no fiscal impact as the funds were already appropriated in the General Appropriation Act for these purposes.*

**Educator Pipeline Support Grant Program**

The legislation establishes the Educator Pipeline Support Grant Program under the Pennsylvania Higher Education Assistance Agency (PHEAA) for individuals who are enrolled in an approved educator preparation program at an institution of higher education within the Commonwealth, meet the minimum grade point average requirement, are placed as a student teacher within the Commonwealth and obtain all necessary clearances. It requires an applicant to agree to work as a teacher at a school entity or nonpublic school for at least three years unless PHEAA determines there are extenuating circumstances. It provides grant awards of \$10,000, with an additional \$5,000 grant available to those who complete their student teaching experience in a school entity that attracts few student teachers or has a high rate of open teaching positions. It provides a minimum grant of \$2,500 to the student’s cooperating teacher unless the cooperating teacher receives compensation from the institution of higher education for their services.

*Fiscal Impact: These provisions will cost the Commonwealth \$10,000,000, which was appropriated in the General Appropriation Act.*

**Community College Funding**

The legislation allocates \$261,640,000 to community colleges in Fiscal Year 2023-24, an increase of \$5,130,000, or 2%. The increase is based on the community colleges’ audited full-time equivalent enrollment.

*Fiscal Impact: This provision will cost the Commonwealth \$261,640,000, which was appropriated in the General Appropriation Act.*

**Educational Tax Credits**

This legislation increases the total amount of education tax credits available under the Education Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) programs by \$150,000,000.

| Type                                      | FY 2022-23            | FY 2023-24            | Increase              |
|---|-----------------------|-----------------------|-----------------------|
| EITC - Scholarship                        | \$ 263,000,000        | \$ 325,000,000        | \$ 62,000,000         |
| EITC - Economically Disadvantaged Schools | \$ 12,000,000         | \$ 60,000,000         | \$ 48,000,000         |
| EITC - Education Improvement              | \$ 44,500,000         | \$ 54,500,000         | \$ 10,000,000         |
| EITC - Pre-K Scholarships                 | \$ 20,500,000         | \$ 30,500,000         | \$ 10,000,000         |
| OSTC - Scholarships                       | \$ 65,000,000         | \$ 85,000,000         | \$ 20,000,000         |
| <b>Total</b>                              | <b>\$ 405,000,000</b> | <b>\$ 555,000,000</b> | <b>\$ 150,000,000</b> |

The legislation also provides for additional reporting requirements for EITC and OSTC organizations. It also changes the amount of annual receipts an EITC or OSTC organization is required to contribute for grants or scholarships from 80% to 90%.

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

*Fiscal Impact:* This change is estimated to reduce General Fund revenue for Fiscal Year 2023-24 by \$150,000,000.

### **State-Aid for Libraries**

The legislation distributes \$70,470,000 in state aid to public libraries. The allocation includes \$70,422,981 for general state aid to libraries and \$47,019 to ensure that all District Library Centers receive the statutorily required minimum allocation of \$200,000.

*Fiscal Impact:* These provisions will cost the Commonwealth \$70,470,000, which was appropriated in the General Appropriation Act.

### **Payments on Account of Pupils Enrolled in Career and Technical Curriculums**

The legislation increases the average daily membership multiplier in the career and technical education subsidy for area career and technical schools from 0.2276 to 0.2668 and for school districts and charter schools from 0.1844 to 0.2718.

*Fiscal Impact:* This provision is estimated to cost the Commonwealth \$14,500,000, which was appropriated in the General Appropriation Act.

### **Ready-to-Learn Block Grants**

The legislation provides that each school entity shall receive an allocation in an amount not less than the amount received during the 2022-23 fiscal year.

*Fiscal Impact:* This provision will cost the Commonwealth \$295,000,000, which was appropriated in the General Appropriation Act.

### **Special Education Funding for Intermediate Units**

The legislation allocates intermediate units an amount equal to 5.5% (\$76,244,000) of the Special Education Funding appropriation, the same percentage as in Fiscal Year 2022-23.

*Fiscal Impact:* This provision will cost the Commonwealth \$76,244,000, which was appropriated in the General Appropriation Act.

### **Use of Undistributed Funds for Distressed Schools**

The legislation allows the Department of Education to use up to \$7,000,000 in undistributed funds in Fiscal Year 2023-24 to assist school districts in financial distress or identified for financial watch status.

*Fiscal Impact:* This provision will cost the Commonwealth \$7,000,000 in Fiscal Year 2023-24.

### **Social Security Payments**

This bill removes the requirement that payment of the Commonwealth's share of required contributions for public school employees' social security be made from the appropriation for basic education funding.

*Fiscal Impact:* This provision will have no fiscal impact on Commonwealth funds.

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

### **School Lunch and Breakfast Program Reimbursements**

The legislation provides for the Commonwealth to reimburse school entities that participate in the National School Lunch and School Breakfast Programs for the difference between the reimbursement rate for a free lunch and a reduced price lunch and the difference between the reimbursement rate for a free breakfast and a reduced price breakfast or paid breakfast.

*Fiscal Impact: These provisions will cost the Commonwealth \$46,500,000, which was appropriated in the General Appropriation Act.*

### **School Environmental Repairs Program**

The legislation establishes the School Environmental Repairs Program in the Department of Education to provide grants to school entities (school districts, area career and technical schools, charter schools and regional charter schools) for the abatement or remediation of environmental hazards in school buildings. It provides for eligible projects to include, but not be limited to, the abatement or remediation of lead in water sources, asbestos and mold inside the school buildings. It requires school entities to provide a local match of at least 50% of the total cost of an eligible project, prohibits the use grant money for recurring upkeep on physical facilities and also provides that a grant award may not exceed \$10,000,000 for a project. It also establishes a restricted account in the General Fund to provide program grants during Fiscal Years 2023-2024 and 2024-2025.

*Fiscal Impact: These provisions will have no fiscal impact on Commonwealth funds as funding for the grant program will be dependent on future appropriations made by the General Assembly.*