

COMMONWEALTH OF PENNSYLVANIA

# Legislative Journal

THURSDAY, JUNE 26, 2014

SESSION OF 2014 198TH OF THE GENERAL ASSEMBLY

No. 41

## SENATE

THURSDAY, June 26, 2014

The Senate met at 11 a.m., Eastern Daylight Saving Time.

The PRESIDENT (Lieutenant Governor Jim Cawley) in the Chair.

## PRAYER

The Chaplain, the Very Reverend WILLIAM C. FORREY, of St. Patrick Parish, Carlisle, offered the following prayer:

Let us bow our heads in prayer.

Our merciful and loving God, we gather here before You this day and pray that You will continue to pour out upon this legislative body Your blessings and graces. We offer to You praise and Thanksgiving, for we know that all of the gifts that You give to us flow from Your divine providence. We pray especially that You give to us hearts that are without fear, anxiety, or worry, as we seek to serve the needs of all, especially those who are the most needy and the most vulnerable in our society. May our legislators always be witnesses of truth and integrity as they promote the rights and dignity of the people they have been elected to serve. Let the perils of partisanship give way to the echoes of empathy, and may the work of this Senate Chamber reflect the highest values of each of our faith communities. Bless the leaders of this esteemed body of public servants and give them courage and wisdom to overcome barriers that separate and divide the citizens of this great Commonwealth. Above all, help us to never forget the source of life and all that is holy and good. Bless these proceedings and all those who labor here this day. Almighty God, we ask all of these things in Your holy name. Amen.

The PRESIDENT. The Chair thanks Father Forrey, who is the guest today of Senator Vance.

## PLEDGE OF ALLEGIANCE

(The Pledge of Allegiance was recited by those assembled.)

## BILL INTRODUCED AND REFERRED

The PRESIDENT laid before the Senate the following Senate Bill numbered, entitled, and referred as follows, which was read by the Clerk:

June 26, 2014

Senators TOMLINSON and DINNIMAN presented to the Chair **SB 1440**, entitled:

An Act amending the act of July 5, 2012 (P.L.1102, No.132), known as the State System of Higher Education Intellectual Property Act, further providing for title of act, for short title, for definitions, for authorization, for approval and notice and for reports.

Which was committed to the Committee on EDUCATION, June 26, 2014.

## HOUSE MESSAGES

### SENATE BILL RETURNED WITH AMENDMENTS

The Clerk of the House of Representatives returned to the Senate **SB 75**, with the information the House has passed the same with amendments in which the concurrence of the Senate is requested.

The PRESIDENT. Pursuant to Senate Rule 13(c)(2)(i), the bill will be referred to the Committee on Rules and Executive Nominations.

### HOUSE BILL FOR CONCURRENCE

The Clerk of the House of Representatives presented to the Senate the following bill for concurrence, which was referred to the committee indicated:

June 26, 2014

**HB 2328** -- Committee on Appropriations.

## BILLS SIGNED

The PRESIDENT (Lieutenant Governor Jim Cawley) in the presence of the Senate signed the following bills:

**HB 1090** and **HB 1271**.

## BILLS REPORTED FROM COMMITTEES

Senator SMUCKER, from the Committee on State Government, reported the following bill:

**SB 1034 (Pr. No. 2206)** (Amended)

An Act amending the act of July 23, 1970 (P.L.563, No.195), known as the Public Employee Relations Act, further providing for declaration of public policy, for definitions and for maintenance of membership; providing for membership dues; prohibiting certain provisions relating to political contributions; and making related repeals.

Senator GREENLEAF, from the Committee on Judiciary, reported the following bills:

**SB 671 (Pr. No. 2207) (Amended)**

An Act amending Titles 18 (Crimes and Offenses) and 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in falsification and intimidation, further providing for false alarms to agencies of public safety; and in sentencing, providing for sentencing for offenses involving false alarms to agencies of public safety.

**HB 827 (Pr. No. 3857) (Amended)**

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in falsification and intimidation, further providing for retaliation against witness, victim or party; and, in uniform firearms, providing for keeping firearm in vehicle.

**HB 1163 (Pr. No. 3858) (Amended)**

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in assault, further providing for the offense of harassment.

**HB 1750 (Pr. No. 3859) (Amended)**

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in riot, disorderly conduct and related offenses, further providing for the offense of cruelty to animals.

Senator ALLOWAY, from the Committee on Game and Fisheries, reported the following bills:

**HB 2178 (Pr. No. 3855) (Amended)**

An Act amending Titles 30 (Fish) and 34 (Game) of the Pennsylvania Consolidated Statutes, in enforcement, further providing for powers and duties of waterways conservation officers and deputies and for powers and duties of enforcement officers.

**HB 2199 (Pr. No. 3425)**

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, in game or wildlife protection, further providing for unlawful activities.

**LEGISLATIVE LEAVES**

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a temporary Capitol leave for Senator White.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I request a temporary Capitol leave for Senator Teplitz, and legislative leaves for Senator Leach and Senator Tartaglione.

The PRESIDENT. Senator Pileggi requests a temporary Capitol leave for Senator White.

Senator Costa requests a temporary Capitol leave for Senator Teplitz, and legislative leaves for Senator Leach and Senator Tartaglione.

Without objection, the leaves will be granted.

**JOURNAL APPROVED**

The PRESIDENT. The Journal of the Session of June 9, 2014, is now in print.

The Clerk proceeded to read the Journal of the Session of June 9, 2014.

Senator PILEGGI. Mr. President, I move that further reading of the Journal be dispensed with and that the Journal be approved.

On the question,

Will the Senate agree to the motion?

The yeas and nays were required by Senator PILEGGI and were as follows, viz:

**YEA-50**

Alloway	Farnese	Pileggi	Vogel
Argall	Ferlo	Rafferty	Vulakovich
Baker	Folmer	Robbins	Wagner
Blake	Fontana	Scarnati	Ward
Boscola	Gordner	Schwank	Washington
Brewster	Greenleaf	Smith	White
Browne	Hughes	Smucker	Wiley
Brubaker	Hutchinson	Solobay	Williams
Corman	Kasunic	Stack	Wozniak
Costa	Kitchen	Tartaglione	Yaw
Dinniman	Leach	Teplitz	Yudichak
Eichelberger	McIlhinney	Tomlinson	
Erickson	Mensch	Vance	

**NAY-0**

A majority of the Senators having voted "aye," the question was determined in the affirmative.

The PRESIDENT. The Journal is approved.

**GUEST OF SENATOR MICHAEL J. FOLMER  
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Lebanon, Senator Folmer.

Senator FOLMER. Mr. President, I rise today and ask the Senate to give a warm welcome to Mr. Trent Mars. He is an intern in my Harrisburg office. Trent is the son of John and Kris Mars of Pine Grove in Schuylkill County. Trent is entering his senior year at Lebanon Valley College in Annville, which is located in the 48th Senatorial District. Trent is majoring in business administration and is the center on the Dutchman Football Team. Trent has been very busy in his time here already having assisted the Senate Committee on Education in research and summaries. Trent has also been researching homeowner association laws and, of course, medical cannabis. Trent has also proven to be very dedicated and a hard worker and has been a wonderful summer addition to our office. Please join me in a warm Senate welcome to Mr. Trent Mars.

The PRESIDENT. Would the guest of Senator Folmer please rise so that the Senate may give you its usual warm welcome.

(Applause.)

**GUEST OF SENATOR DAVID G. ARGALL  
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Schuylkill, Senator Argall.

Senator ARGALL. Mr. President, I would like to recognize Nick Karagiannis, a senior at St. Joseph University in Philadel-

phia. Nick is interning with Representative Scavello's office and is seated with us in the Senate gallery.

The PRESIDENT. Would the guest of Senator Argall please rise so that the Senate may give you its usual warm welcome.

(Applause.)

### GUESTS OF SENATOR VINCENT J. HUGHES PRESENTED TO THE SENATE

The PRESIDENT. The Chair recognizes the gentleman from Philadelphia, Senator Hughes.

Senator HUGHES. Mr. President, it is with great pleasure that I ask the body to recognize and acknowledge, I cannot call them guests, I will call them interns who are working in my office. I believe they are in the balcony; yes, they are. We fondly refer to them, Mr. President, by numbers 1, 2, and 3. Intern no. 1 is Amanda Shimko, who graduated with a B.A. in political science from Kings College in Wilkes-Barre, Pennsylvania. Amanda is a third-year law student at Widener University School of Law in Harrisburg. Intern no. 2 is Andrew Salerno from St. Joseph's University. He will be a sophomore in the fall. Intern no. 3 is Uriah Tagle, who is from Penn State and will be a senior in the fall. Mr. President, if the Senate would provide them a warm welcome, we would appreciate it.

The PRESIDENT. Would the guests of Senator Hughes please rise so that the Senate may give you its usual warm welcome.

(Applause.)

### RECESS

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a recess of the Senate for the purpose of a Republican caucus to be held in the Majority Caucus Room beginning immediately.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, Senate Democrats will meet in the rear of the Chamber for a caucus as well. Thank you.

The PRESIDENT. For purposes of Republican and Democratic caucuses, without objection, the Senate stands in recess.

### AFTER RECESS

The PRESIDENT. The time of recess having expired, the Senate will come to order.

### LEGISLATIVE LEAVE CANCELLED

The PRESIDENT. Senator White, Senator Teplitz, and Senator Tartaglione have returned, and their respective leaves are cancelled.

### SPECIAL ORDER OF BUSINESS PERMISSION TO ADDRESS

The PRESIDENT. The Chair recognizes the gentleman from Indiana, Senator White.

Senator WHITE. Mr. President, the last week or so, we have had some very distinguished members of the Senate staff retire, and I watched the ceremonies that we had on the floor. It made me feel pretty sad because I knew I had one pending, and that

day has finally come. There are very few people under this dome who do not know--sort of like the name Cher or Madonna, just her name, Marci, brings a smile to a lot of people's faces. There are very few who do not know who Marci is. After an incredible term of 41 years of serving the Senate of Pennsylvania, Marci Bowers will be leaving us at the very end of this day, today. She did not want a lot of ceremony, she would not come on the floor. Hopefully, she is back in our office watching this.

This is a lady of unmatched distinction, as far as I am concerned. A friend to all, in service to all, she has impacted thousands of lives in her career, and most especially mine. When I walked in these doors in the year 2000 and was told I got to pick my staff, I had been through hundreds and hundreds of interviews in my industry days, but really had no clue what I was looking for when I was looking to pick somebody to be the person to run my office and, for that matter, my life in Harrisburg. Luckily, I picked her. She is my Girl Friday, my big sister, and the master of my universe here in Harrisburg. She has served with class. She is a very loving mother, grandmother, and great-grandmother. Now she will be leaving and have the time to spoil all of those grandchildren and great-grandchildren, just like she spoiled me these last 14 years. I cannot really finish this other than to say happy trails, thanks for the memories, my love forever, Marci. Thank you.

(Applause.)

### CALENDAR

#### THIRD CONSIDERATION CALENDAR

#### BILL OVER IN ORDER TEMPORARILY

**HB 118** -- Without objection, the bill was passed over in its order temporarily at the request of Senator PILEGGI.

#### BILL AMENDED

**HB 185 (Pr. No. 243)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 12, 1986 (P.L.1559, No.169), known as the Whistleblower Law, further providing for the definitions of "appropriate authority," "good faith report" and "public body," for protection of employees and for penalties.

On the question,

Will the Senate agree to the bill on third consideration?

Senator BAKER offered the following amendment No. A8242:

Amend Bill, page 1, line 8, by striking out "AUTHORITY"" and inserting:  
authority," "good faith report"

Amend Bill, page 2, line 16, by striking out "AUTHORITY"" and inserting:  
authority," "good faith report"

Amend Bill, page 3, by inserting between lines 5 and 6:  
"Good faith report." A report of conduct defined in this act as wrongdoing or waste which is made without malice or consideration of personal benefit and which the person making the report has reasonable cause to believe is true. An employer is not barred from taking disciplinary action against the employee who completed the report if the employee's report was submitted in bad faith.

On the question,

Will the Senate agree to the amendment?

It was agreed to.

Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

#### BILL OVER IN ORDER TEMPORARILY

**SB 324** -- Without objection, the bill was passed over in its order temporarily at the request of Senator PILEGGI.

#### BILLS OVER IN ORDER

**SB 1036, HB 1052 and SB 1078** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

#### BILL AMENDED

**SB 1085 (Pr. No. 1597)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in terms and courses of study, further providing for agreements with institutions of higher education; in opportunities for educational excellence, further providing for definitions and for concurrent enrollment agreements; and extensively revising charter school provisions.

On the question,

Will the Senate agree to the bill on third consideration?

Senator SMUCKER offered the following amendment No. A8429:

Amend Bill, page 1, lines 1 through 10, by striking out all of said lines and inserting:

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in terms and courses of study, further providing for agreements with institutions of higher education; in opportunities for educational excellence, further providing for definitions and for concurrent enrollment agreements; and extensively revising charter school provisions.

Amend Bill, page 1, lines 16 through 21; pages 2 through 88, lines 1 through 30; page 89, lines 1 through 26, by striking out all of said lines on said pages and inserting:

Section 1. Section 1525 of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, added July 4, 2004 (P.L.536, No.70), is amended to read:

Section 1525. Agreements with Institutions of Higher Education.--Notwithstanding any other provision of law to the contrary, a school district, charter school, regional charter school, cyber charter school or area vocational-technical school may enter into an agreement with one or more institutions of higher education approved to operate in this Commonwealth in order to allow [resident] students to attend such institutions of higher education while the [resident] students are enrolled in the school district, charter school, regional charter school, cyber charter school or area vocational-technical school. The agreement may be structured so that high school students may receive credits toward completion of courses at the school district, charter school, regional charter school, cyber charter school or area vocational-technical school and at institutions of higher education approved to operate in this Commonwealth.

Section 2. The definitions of "concurrent student" and "school entity" in section 1602-B of the act, added July 13, 2005 (P.L.226, No.46), are amended to read:

Section 1602-B. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

\*\*\*

"Concurrent student." A student who is enrolled in a school district, a charter school, a regional charter school, a cyber charter school, an area vocational-technical school, a nonpublic school, a private school or a home education program under section 1327.1 and who takes a concurrent course through a concurrent enrollment program.

\*\*\*

"School entity." A school district, a charter school, a regional charter school, a cyber charter school or an area vocational-technical school.

\*\*\*

Section 3. Section 1613-B of the act is amended by adding a subsection to read:

Section 1613-B. Concurrent enrollment agreements.

\*\*\*

(c) Charter schools, regional charter schools and cyber charter schools.--Charter schools, regional charter schools and cyber charter schools shall have the power and authority to enter into a concurrent enrollment agreement with an institution of higher education and appropriate credit shall be awarded to students concurrently enrolled under the agreement.

Section 4. Section 1703-A of the act, amended June 29, 2002 (P.L.524, No.88), is amended to read:

Section 1703-A. Definitions.--As used in this article,

"Administrator" shall include an employee of a charter school entity, including the chief administrator of a charter school entity and any other employee, who by virtue of the employee's position is responsible for taking official action of a nonministerial nature with regard to contracting or procurement, administering or monitoring grants or subsidies, managing or regulating staff, student and school activities or any activity where the official action has an economic impact of greater than a de minimis nature on the interests of any person.

"Appeal board" shall mean the State Charter School Appeal Board established by this article.

"Assessment" shall mean the Pennsylvania System of School Assessment test, the Keystone Exam or another test established by the State board to meet the requirements of section 2603-B(d) (10)(i) and required under the No Child Left Behind Act of 2001 (Public Law 107-110, 115 Stat. 1425) or its successor Federal statute.

"Associated nonprofit foundation" shall mean an entity organized as a Pennsylvania nonprofit corporation pursuant to 15 Pa.C.S. § 5306 (relating to articles of incorporation), operating exclusively for the support and benefit of a Pennsylvania charter school entity organized under this article. The term shall include an associated nonprofit corporation.

"At-risk student" shall mean a student at risk of educational failure because of limited English proficiency, poverty, community factors, truancy, academic difficulties or economic disadvantage.

"Charter school" shall mean an independent public school established and operated under a charter from the local board of school directors and in which students are enrolled or attend. A charter school must be organized as a public, nonprofit corporation. Charters may not be granted to any for-profit entity.

"Charter school entity" shall mean a charter school, regional charter school or cyber charter school.

"Charter school foundation" shall mean a nonprofit organization, as defined under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)), that provides funding, resources or otherwise serves to support a charter school entity, either directly or through an affiliated entity.

"Chief administrator" shall mean an individual appointed by a board of trustees to oversee and manage the operation of a charter school entity. The term shall not include a professional staff member under this article.

"Chief executive officer" shall mean an individual appointed by the board of trustees to oversee and manage the operation of the charter school, but who shall not be deemed a professional staff member under this article.]

"Cyber charter school" shall mean an independent public school established and operated under a charter from the Department of Educa-

tion and in which the school uses technology, including electronic or digital books, in order to provide a significant portion of its curriculum and to deliver a significant portion of instruction to its students through the Internet or other electronic means. A cyber charter school must be organized as a public, nonprofit corporation. A charter may not be granted to a for-profit entity.

"Department" shall mean the Department of Education of the Commonwealth.

"Educational management service provider" shall mean a for-profit education management organization, nonprofit charter management organization, school design provider, business manager or any other partner entity with which a board of trustees of a charter school entity contracts to provide educational design, business services, comprehensive management or personnel functions or to implement the charter. The term shall not include a charter school foundation.

"Immediate family member" shall mean a parent, spouse, child, brother or sister.

"Local board of school directors" shall mean the board of directors [of], a school reform commission or other governing authority of a school district or a financial recovery school district in which a proposed or an approved charter school is located.

"Nonrelated" shall mean an individual who is not an immediate family member.

"Regional charter school" shall mean an independent public school established and operated under a charter from more than one local board of school directors and in which students are enrolled or attend. A regional charter school must be organized as a public, nonprofit corporation. Charters may not be granted to any for-profit entity.

"School district of residence" shall mean the school district in this Commonwealth in which [the parents or guardians of a child reside] a child resides as determined under section 1302 and 22 Pa. Code § 11.11(a)(1) (relating to entitlement of resident children to attend public schools).

"School entity" shall mean a school district, intermediate unit, joint school or area vocational-technical school.

"Secretary" shall mean the Secretary of Education of the Commonwealth.

"State board" shall mean the State Board of Education of the Commonwealth.

Section 5. Section 1715-A of the act, amended or added June 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846, No.61), is amended to read:

Section 1715-A. Charter School Entity Requirements.--(a) Charter [schools] school entities shall be required to comply with the following provisions:

(1) Except as otherwise provided in this article, a charter school entity is exempt from statutory requirements established in this act, from regulations of the State board and the standards of the secretary not specifically applicable to charter [schools] school entities. Charter [schools] school entities are not exempt from statutes applicable to public schools other than this act.

(2) A charter school entity shall be accountable to the parents, the public and the Commonwealth, with the delineation of that accountability reflected in the charter. Strategies for meaningful parent and community involvement shall be developed and implemented by each school.

(3) A charter school entity shall not unlawfully discriminate in admissions, hiring or operation.

(4) A charter school entity shall be nonsectarian in all operations.

(5) (i) [A] Subject to subparagraph (ii), a charter school entity shall not provide any religious instruction, nor shall it display religious objects and symbols on the premises of the charter school[.] entity.

(ii) It shall not be a violation of this paragraph for a charter school entity to utilize a sectarian facility:

(A) if the charter school entity provides for discrete and separate entrances to buildings utilized for school purposes only;

(B) if the religious objects and symbols within the portions of the facility utilized by the school are covered or removed to the extent reasonably feasible; or

(C) in which the unused portion of the facility or its common areas contain religious symbols and objects.

(6) A charter school entity shall not advocate unlawful behavior.

(7) A charter school or regional charter school shall only be subject to the laws and regulations as provided for in section 1732-A, or as

otherwise provided for in this [article] act.

(7.1) A cyber charter school shall only be subject to the laws and regulations as provided for in section 1749-A or as otherwise provided for in this act.

(8) A charter school entity shall participate in [the Pennsylvania State Assessment System as provided for in 22 Pa. Code Ch. 5 (relating to curriculum), or subsequent regulations promulgated to replace 22 Pa. Code Ch. 5.] assessments in the manner in which the school district in which the charter school entity is located is scheduled to participate.

(9) A charter school entity shall provide a minimum of one hundred eighty (180) days of instruction or nine hundred (900) hours per year of instruction at the elementary level, or nine hundred ninety (990) hours per year of instruction at the secondary level. Nothing in this clause shall preclude the use of computer and satellite linkages for delivering instruction to students.

(10) Boards of trustees and contractors of charter [schools] school entities shall be subject to the following statutory requirements governing construction projects and construction-related work:

(i) The following provisions of this act:

(A) Sections 751 and 751.1.

(B) Sections 756 and 757 insofar as they are consistent with the act of December 20, 1967 (P.L.869, No.385), known as the "Public Works Contractors' Bond Law of 1967."

(ii) Section 1 of the act of May 1, 1913 (P.L.155, No.104), entitled "An act regulating the letting of certain contracts for the erection, construction, and alteration of public buildings."

(iii) The act of August 11, 1961 (P.L.987, No.442), known as the "Pennsylvania Prevailing Wage Act."

(iv) The "Public Works Contractors' Bond Law of 1967."

(v) The act of March 3, 1978 (P.L.6, No.3), known as the "Steel Products Procurement Act."

(11) Trustees of a charter school entity shall be public officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure) and shall file a statement of financial interests for the preceding calendar year with both the State Ethics Commission and either, in the case of a charter school or regional charter school, the local board of school directors or, in the case of a cyber charter school, the department, not later than May 1 of each year that members hold the position and of the year after a member leaves the position. All members of the board of trustees of a charter school entity shall take the oath of office as required under section 321 before entering upon the duties of their office.

(12) A person who serves as an administrator for a charter school shall not receive compensation from another charter school or from a company that provides management or other services to another charter school. The term "administrator" shall include the chief executive officer of a charter school and all other employees of a charter school who by virtue of their positions exercise management or operational oversight responsibilities. A person who serves as an administrator for a charter school shall be a public official under 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure). A violation of this clause shall constitute a violation of 65 Pa.C.S. § 1103(a) (relating to restricted activities), and the violator shall be subject to the penalties imposed under the jurisdiction of the State Ethics Commission.]

(b) An individual who serves as an administrator for a charter school entity shall be a public employee for the purposes of 65 Pa.C.S. Ch. 11 and shall file a statement of financial interests for the preceding calendar year with the board of trustees not later than May 1 of each year that the person holds the position and of the year after the person leaves the position.

(c) (1) No individual who serves as an administrator for a charter school entity may receive compensation from another charter school entity or from an educational management service provider, unless:

(i) The administrator has submitted a sworn statement to the board of trustees of the charter school entity and the sworn statement details the work for the other entity and includes the projected number of hours, rate of compensation and projected duration.

(ii) The board of trustees of the charter school entity has reviewed the sworn statement under subclause (i) and agreed, by resolution, to grant permission to the administrator.

(2) A copy of the sworn statement under clause (1)(i) and the resolution by the board of trustees of the charter school entity granting the permission under clause (1)(ii) shall be provided to and kept on file with the charter school entity and the board of local school directors or, in



the case of a cyber charter school, the department.

(3) No administrator of a charter school entity or immediate family member may serve as a voting member of the board of trustees of the charter school entity that employs the administrator.

(4) (i) No administrator of a charter school entity may participate in the selection, award or administration of a contract if the person has a conflict of interest as that term is defined in 65 Pa.C.S. § 1102 (relating to definitions).

(ii) An administrator who knowingly violates this clause commits a violation of 65 Pa.C.S. § 1103(a) (relating to restricted activities) and shall be subject to the penalties imposed under the jurisdiction of the State Ethics Commission.

(iii) Any contract made in violation of this clause shall be voidable by the board of trustees of the charter school entity.

(5) An administrator shall be immediately dismissed upon conviction for an offense graded as a felony, an infamous crime, an offense pertaining to fraud, theft or mismanagement of public funds or any crime involving moral turpitude.

Section 6. Section 1716-A(c) of the act, added June 19, 1997 (P.L.225, No.22), is amended and the section is amended by adding subsections to read:

Section 1716-A. Powers of Board of Trustees.--\* \* \*

(b.1) (1) For a charter school or regional charter school chartered after the effective date of this subsection, an individual shall be prohibited from serving as a voting member of the board of trustees of the charter school or regional charter school if the individual or an immediate family member receives compensation from or is employed by or is a member of the local board of school directors who participated in the initial review, approval, oversight, evaluation or renewal process of the charter school or regional charter school chartered by that board.

(2) An employee of the school district that chartered the charter school or the regional charter school may serve as a member of the board of trustees of the charter school or regional charter school without voting privileges.

(b.2) (1) No member of the board of trustees of a charter school entity may participate in the selection, award or administration of any contract if the member has a conflict of interest as that term is defined in 65 Pa.C.S. § 1102 (relating to definitions).

(2) Any member of the board of trustees of a charter school entity who in the discharge of the person's official duties would be required to vote on a matter that would result in a conflict of interest shall abstain from voting and follow the procedures required under 65 Pa.C.S. § 1103(i) (relating to restricted activities).

(3) A member of the board of trustees of a charter school entity who knowingly violates this subsection commits a violation of 65 Pa.C.S. § 1103(a) and shall be subject to the penalties imposed under the jurisdiction of the State Ethics Commission.

(4) A contract made in violation of this subsection shall be voidable by a court of competent jurisdiction, if the suit is commenced within ninety (90) days of the making of the contract.

(5) No member of the board of trustees of a charter school entity shall be compensated for duties on the board of trustees.

(b.3) A member of the board of trustees of a charter school entity shall be automatically disqualified and immediately removed from the board upon conviction for an offense graded as a felony, an infamous crime, an offense pertaining to fraud, theft or mismanagement of public funds, any offense pertaining to his official capacity as a board member or any crime involving moral turpitude.

(c) The board of trustees shall comply with [the act of July 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).

(d) (1) (i) The board of trustees of a charter school entity shall consist of a minimum of five (5) nonrelated voting members.

(ii) If a charter school entity has fewer than five (5) nonrelated voting members serving on its board on the effective date of this subsection, the charter school entity shall, within sixty (60) days, appoint additional members to the board to meet the minimum requirements of this section.

(2) Within one (1) year of the effective date of this subsection, at least one (1) member of the board of trustees of a charter school entity shall be a parent of a child currently attending the charter school entity. The board member shall be eligible to serve only so long as the child attends the charter school entity.

(e) (1) A majority of the voting members of the board of trustees

shall constitute a quorum. If less than a majority is present at any meeting, no business may be transacted at the meeting.

(2) The affirmative vote of a majority of all the voting members of the board of trustees, duly recorded, shall be required in order to take action on the subjects enumerated under subsection (a).

Section 7. The act is amended by adding sections to read:

Section 1716.1-A. (Reserved).

Section 1716.2-A. Fund Balance Limits.--Fund balance limits shall be as follows:

(1) For the 2013-2014 school year and each school year thereafter, a charter school entity shall not accumulate an unassigned fund balance greater than the charter school entity unassigned fund balance limit which will be determined as follows:

Charter School Entity Total Budgeted Expenditures	Maximum Unassigned Fund Balance as Percent- age of Total Budgeted Expenditures
Less than or equal to \$11,999,999	12%
Between \$12,000,000 and 12,999,999	11.5%
Between \$13,000,000 and 13,999,999	11%
Between \$14,000,000 and 14,999,999	10.5%
Between \$15,000,000 and 15,999,999	10%
Between \$16,000,000 and 16,999,999	9.5%
Between \$17,000,000 and 17,999,999	9%
Between \$18,000,000 and 18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8%

(2) Any unassigned fund balance in place on June 30, 2015, that exceeds the charter school entity unassigned fund balance limit shall be refunded on a pro rata basis within ninety (90) days to all school districts that paid tuition to the charter school entity on behalf of students enrolled in the 2013-2014 and 2014-2015 school years.

(3) For the 2015-2016 school year and each school year thereafter, any unassigned fund balance in place on June 30 of that school year in excess of the charter school entity unassigned fund balance limit shall be refunded on a pro rata basis within ninety (90) days to all school districts that paid tuition to the charter school entity in the prior school year.

(4) By September 30, 2015, and August 15 of each year thereafter, each charter school entity shall provide the department and all school districts that paid tuition to the charter school entity in the prior school year with information certifying compliance with this section. The information shall be provided in a form and manner prescribed by the department and shall include information on the charter school entity's estimated ending unassigned fund balance expressed as a dollar amount and as a percentage of the charter school entity's total budgeted expenditures for that school year.

(5) Unassigned funds of the charter school entity in excess of the unassigned fund balance limit may not be used to pay bonuses to any administrator, board of trustees member, employee, staff member or contractor and may not be transferred to a charter school foundation. If a charter school entity uses funds in excess of the unassigned fund balance limit to pay bonuses to any administrator, board of trustees member, employee, staff member or contractor or transfers such funds to a charter school foundation, the value of the bonus payment or fund transfer shall be refunded by the charter school entity on a pro rata basis to all school districts that paid tuition to the charter school entity on behalf of students enrolled in the charter school entity in the immediately preceding school year.

(6) As used in this section, "unassigned fund balance" shall mean that portion of the fund balance of a charter school entity that provides funding or resources or otherwise serves to support the charter school entity that is:

(i) available for expenditure or not legally or otherwise segregated for a specific or tentative future use; and

(ii) held in the general fund accounts of the charter school entity.

Section 7.1. Sections 1717-A(c), (d), (e), (f) and (i) and 1719-A of the act, added June 19, 1997 (P.L.225, No.22), are amended to read:

Section 1717-A. Establishment of Charter School.--\* \* \*

(c) An application to establish a charter school shall be submitted to the local board of school directors of the district where the charter school will be located by [November 15] October 1 of the school year preceding the school year in which the charter school will be established except that for a charter school beginning in the 1997-1998

school year, an application must be received by July 15, 1997. In the 1997-1998 school year only, applications shall be limited to recipients of fiscal year 1996-1997 Department of Education charter school planning grants.

(d) Within forty-five (45) days of receipt of an application, the local board of school directors in which the proposed charter school is to be located shall hold at least one public hearing on the provisions of the charter application, under [the act of July 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings). At least forty-five (45) days must transpire between the first public hearing and the final decision of the board on the charter application except that for a charter school beginning in the 1997-1998 school year, only thirty (30) days must transpire between the first public hearing and the final decision of the board.

(e) (1) Not later than seventy-five (75) days after the first public hearing on the application, the local board of school directors shall grant or deny the application. For a charter school beginning in the 1997-1998 school year, the local board of school directors shall grant or deny the application no later than sixty (60) days after the first public hearing.

(2) A charter school application submitted under this article shall be evaluated by the local board of school directors based on criteria, including, but not limited to, the following:

(i) The demonstrated, sustainable support for the charter school plan by teachers, parents, other community members and students, including comments received at the public hearing held under subsection (d).

(ii) The capability of the charter school applicant, in terms of support and planning, to provide comprehensive learning experiences to students pursuant to the adopted charter.

(iii) The extent to which the application considers the information requested in section 1719-A and conforms to the legislative intent outlined in section 1702-A.

(iv) The extent to which the charter school may serve as a model for other public schools.

(3) The local board of school directors, in the case of an existing school being converted to a charter school, shall establish the alternative arrangements for current students who choose not to attend the charter school.

(4) A charter application shall be deemed approved by the local board of school directors of a school district upon affirmative vote by a majority of all the directors. Formal action approving or denying the application shall be taken by the local board of school directors at a public meeting, with notice or consideration of the application given by the board, under [the "Sunshine Act."] 65 Pa.C.S. Ch. 7.

(5) Written notice of the board's action shall be sent to the applicant, the department and the appeal board. If the application is denied, the reasons for the denial, including a description of deficiencies in the application, shall be clearly stated in the notice sent by the local board of school directors to the charter school applicant.

(f) At the option of the charter school applicant, a denied application may be revised and resubmitted to the local board of school directors. Following the appointment and confirmation of the Charter School Appeal Board under section 1721-A, the decision of the local board of school directors may be appealed to the appeal board. When an application is revised and resubmitted to the local board of school directors, the board may schedule additional public hearings on the revised application. The board shall consider the revised and resubmitted application at the first board meeting occurring at least forty-five (45) days after receipt of the revised application by the board. For a revised application resubmitted for the 1997-1998 school year, the board shall consider the application at the first board meeting occurring at least thirty (30) days after its receipt. The board shall provide notice of consideration of the revised application under [the "Sunshine Act."] 65 Pa.C.S. Ch. 7. No appeal from a decision of a local school board may be taken until July 1, 1999.

\*\*\*

(i) (1) The appeal board shall have the exclusive review of an appeal by a charter school applicant, or by the board of trustees of an existing charter school, of a decision made by a local board of directors not to grant a charter as provided in this section.

[(2) In order for a charter school applicant to be eligible to appeal the denial of a charter by the local board of directors, the applicant must obtain the signatures of at least two per centum of the residents of the

school district or of one thousand (1,000) residents, whichever is less, who are over eighteen (18) years of age. For a regional charter school, the applicant must obtain the signatures of at least two per centum of the residents of each school district granting the charter or of one thousand (1,000) residents from each of the school districts granting the charter, whichever is less, who are over eighteen (18) years of age. The signatures shall be obtained within sixty (60) days of the denial of the application by the local board of directors in accordance with clause (3).

(3) Each person signing a petition to appeal denial of a charter under clause (2) shall declare that he or she is a resident of the school district which denied the charter application and shall include his or her printed name; signature; address, including city, borough or township, with street and number, if any; and the date of signing. All pages shall be bound together. Additional pages of the petition shall be numbered consecutively. There shall be appended to the petition a statement that the local board of directors rejected the petition for a charter school, the names of all applicants for the charter, the date of denial by the board and the proposed location of the charter school. No resident may sign more than one petition relating to the charter school application within the sixty (60) days following denial of the application. The department shall develop a form to be used to petition for an appeal.

(4) Each petition shall have appended thereto the affidavit of some person, not necessarily a signer, setting forth all of the following:

(i) That the affiant is a resident of the school district referred to in the petition.

(ii) The affiant's residence, giving city, borough or township, with street and number, if any.

(iii) That the signers signed with full knowledge of the purpose of the petition.

(iv) That the signers' respective residences are correctly stated in the petition.

(v) That the signers all reside in the school district.

(vi) That each signer signed on the date set forth opposite the signer's name.

(vii) That to the best of the affiant's knowledge and belief, the signers are residents of the school district.

(5) If the required number of signatures are obtained within sixty (60) days of the denial of the application, the applicant may present the petition to the court of common pleas of the county in which the charter school would be situated. The court shall hold a hearing only on the sufficiency of the petition. The applicant and local board of school directors shall be given seven (7) days' notice of the hearing. The court shall issue a decree establishing the sufficiency or insufficiency of the petition. If the petition is sufficient, the decree shall be transmitted to the State Charter School Appeal Board for review in accordance with this section. Notification of the decree shall be given to the applicant and the local board of directors.]

(6) In any appeal, the decision made by the local board of directors shall be reviewed by the appeal board on the record as certified by the local board of directors. The appeal board shall give due consideration to the findings of the local board of directors and specifically articulate its reasons for agreeing or disagreeing with those findings in its written decision. The appeal board shall have the discretion to allow the local board of directors and the charter school applicant to supplement the record if the supplemental information was previously unavailable.

(7) Not later than thirty (30) days after the date of notice of the acceptance of the appeal, the appeal board shall meet to officially review the certified record.

(8) Not later than sixty (60) days following the review conducted pursuant to clause (6), the appeal board shall issue a written decision affirming or denying the appeal. If the appeal board has affirmed the decision of the local board of directors, notice shall be provided to both parties.

(9) A decision of the appeal board to reverse the decision of the local board of directors shall serve as a requirement for the local board of directors of a school district or school districts, as appropriate, to grant the application and sign the written charter of the charter school as provided for in section 1720-A. Should the local board of directors fail to grant the application and sign the charter within ten (10) days of notice of the reversal of the decision of the local board of directors, the charter shall be deemed to be approved and shall be signed by the chairman of the appeal board.

(10) All decisions of the appeal board shall be subject to appellate review by the Commonwealth Court.

(j) Notwithstanding the provisions of section 696(i) or any other provision of law to the contrary, a school reform commission considering an application to establish a charter school in a school district of the first class shall comply with subsection (e)(5).

(k) Notwithstanding the provisions of section 696(i) or any other provision of law to the contrary, a charter school applicant may appeal a decision of a school reform commission to deny an application to establish a charter school in a school district of the first class to the appeal board. Subsections (g), (h) and (i) shall apply to an appeal under this subsection.

Section 1719-A. Contents of Application.--[An] (a) The department shall create a standard application form for charter school applicants seeking to establish a charter school entity and for existing charter school entities seeking renewal of their charters. The form shall be published in the Pennsylvania Bulletin and posted on the department's publicly accessible Internet website. The form shall include all of the following information:

- (1) The identification of the charter school applicant.
- (2) The name of the proposed charter school entity.
- (3) The grade or age levels served by the school.

(4) [The proposed governance structure of the charter school, including a description and method for the appointment or election of members of the board of trustees.] An organizational chart clearly presenting the proposed governance structure of the school, including lines of authority and reporting between the board of trustees, administrators, staff and any educational management service provider that will provide management services to the charter school entity.

(4.1) A clear description of the roles and responsibilities for the board of trustees, administrators and any other entities, including a charter school foundation, shown in the organizational chart.

(4.2) A clear description of and method for the appointment or election of members of the board of trustees.

(4.3) Standards for board of trustees performance, including compliance with all applicable laws, regulations and terms of the charter.

(4.4) If the charter school entity intends to contract with an educational management service provider for services, all of the following:

(i) Evidence of the educational management service provider's record in serving student populations, including demonstrated academic achievement and demonstrated management of nonacademic school functions, including proficiency with public school-based accounting, if applicable.

(ii) A draft contract stating all of the following:

(A) The officers, chief administrator and administrators of the educational management service provider.

(B) The proposed duration of the service contract.

(C) Roles and responsibilities of the board of trustees, the school staff and the educational management service provider.

(D) The scope of services, personnel and resources to be provided by the educational management service provider.

(E) Performance evaluation measures and timelines.

(F) The compensation structure, including clear identification of all fees to be paid to the educational management service provider.

(G) Methods of contract oversight and enforcement.

(H) Investment disclosure or the advance of moneys by the educational management service provider on behalf of the charter school entity.

(I) Conditions for renewal and termination of the contract.

(iii) Disclosure and explanation of any existing or potential conflicts of interest between the members of the board of trustees and the proposed educational management service provider or any affiliated business entities, including a charter school foundation qualified as a support organization under the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).

(5) The mission and education goals of the charter school entity, the curriculum to be offered and the methods of assessing whether students are meeting educational goals.

(6) The admission and enrollment policy [and criteria for evaluating the admission of students] which shall comply with the requirements of section 1723-A.

(7) Procedures which will be used regarding the suspension or expulsion of pupils. Said procedures shall comply with section 1318.

(8) Information on the manner in which community groups will be involved in the charter school entity planning process.

(9) The financial plan for the charter school entity and the provi-

sions which will be made for auditing the school under [section] sections 437 and 1728-A, including the role of any charter school foundation.

(10) Procedures which shall be established to review complaints of parents regarding the operation of the charter school entity.

(11) A description of and address of the physical facility in which the charter school entity will be located and the ownership thereof and any lease arrangements.

(12) Information on the proposed school calendar for the charter school entity, including the length of the school day and school year consistent with the provisions of section 1502.

(13) The proposed faculty, if already determined, and a professional development and continuing education plan for the faculty and professional staff of [a] the charter school entity.

(14) Whether any agreements have been entered into or plans developed with the local school district regarding participation of the charter school entity's students in extracurricular activities within the school district. Notwithstanding any provision to the contrary, no school district of residence shall prohibit a student of a charter school entity from participating in any extracurricular activity of that school district of residence: Provided, That the student is able to fulfill all of the requirements of participation in such activity and the charter school entity does not provide the same extracurricular activity.

(15) A report of criminal history record, pursuant to section 111, for all individuals identified in the application who shall have direct contact with students and a plan for satisfying the proper criminal history record clearances required for all other staff.

(16) An official clearance statement regarding child injury or abuse from the Department of Public Welfare as required by 23 Pa.C.S. Ch. 63 Subch. C.2 (relating to background checks for employment in schools) for all individuals identified in the application who shall have direct contact with students and a plan for satisfying the proper official clearance statement regarding child injury or abuse required for all other staff.

(17) How the charter school entity will provide adequate liability and other appropriate insurance for the charter school entity, its employees and the board of trustees of the charter school entity.

(18) Policies regarding truancy, absences and withdrawal of students, including the manner in which the charter school entity will monitor attendance consistent with section 1715-A(a)(9). The charter school entity's policy shall establish, to the satisfaction of the local board of school directors or, in the case of cyber charter school, to the satisfaction of the department, that the charter school entity will comply with sections 1332 and 1333, including the institution of truancy proceedings when required under section 1333.

(19) How the charter school entity will meet the standards included in the performance matrix developed by the department under section 1731.1-A.

(20) Indicate whether or not the charter school entity will seek accreditation by a nationally recognized accreditation agency, including the Middle States Association of Colleges and Schools or another regional institutional accrediting agency recognized by the United States Department of Education or an equivalent federally recognized body for charter school education.

(b) A local board of school directors may not impose additional terms, develop its own application or require additional information outside the standard application form required under subsection (a).

Section 8. Section 1720-A of the act, amended July 9, 2008 (P.L.846, No.61), is amended to read:

Section 1720-A. Term and Form of Charter.--(a) (1) Upon approval of a charter application under section 1717-A, a written charter shall be developed which shall contain the provisions of the standardized charter application under section 1719-A and which shall be signed by the local board of school directors of a school district, by the local boards of school directors of a school district in the case of a regional charter school or by the chairman of the appeal board pursuant to section [1717-A(i)(5)] 1717-A(i)(9) and the board of trustees of the charter school or regional charter school. This written charter, when duly signed by the local board of school directors of a school district, [or] by the local boards of school directors of a school district in the case of a regional charter school or by the chairman of the appeal board, and the charter school's or regional charter school's board of trustees, shall act as legal authorization for the establishment of a charter school or regional charter school. This written charter shall be legally binding on



both the local board of school directors of a school district and the charter school's or regional charter school's board of trustees. [Except as otherwise provided in subsection (b), the charter shall be for a period of no less than three (3) nor more than five (5) years and may be renewed for five (5) year periods upon reauthorization by the local board of school directors of a school district or the appeal board.] If the charter school or regional charter school contracts with an educational management service provider, a contract shall be executed once the charter is approved. A charter will be granted only for a school organized as a public, nonprofit corporation.

(2) The following shall apply to all charters granted by a school district:

(i) An initial charter executed pursuant to section 1720-A(a)(1) shall be for a period of five (5) years.

(ii) Prior to the effective date of the regulations implementing the performance matrix as required pursuant to section 1731.1-A, a charter may be renewed for five (5) year periods upon reauthorization by the local board of school directors or other governing body of a school district or the appeal board.

(iii) Upon the effective date of the regulations implementing the performance matrix as required pursuant to section 1731.1-A, the following shall apply:

(A) For charter schools and regional charter schools that have satisfied the academic quality benchmark established by the State Board of Education pursuant to section 1731.1-A, a charter may be renewed for ten (10) year periods upon reauthorization by the local board of school directors or other governing body of a school district or the appeal board.

(B) For charter schools and regional charter schools that have not satisfied the academic quality benchmark established by the State Board of Education pursuant to section 1731.1-A, a charter may be renewed for five (5) year periods upon reauthorization by the local board of school directors or other governing body of a school district or the appeal board.

(b) (1) Notwithstanding subsection (a), a governing board of a school district of the first class may renew a charter for a period of one (1) year if the board of school directors determines that there is insufficient data concerning the charter school's academic performance to adequately assess that performance and determines that an additional year of performance data would yield sufficient data to assist the governing board in its decision whether to renew the charter for a period of five (5) years.

(2) A one-year renewal pursuant to paragraph (1) shall not be considered an adjudication and may not be appealed to the State Charter School Appeal Board.

(3) A governing board of a school district of the first class does not have the authority to renew a charter for successive one (1) year periods.

(c) (1) A charter school or regional charter school may request amendments to its approved written charter by filing a written document describing the requested amendment with the local board of school directors.

(2) Within thirty-five (35) days of its receipt of the request for an amendment, the local board of school directors shall hold a public hearing on the requested amendment under 65 Pa.C.S. Ch. 7 (relating to open meetings).

(3) Within thirty-five (35) days after the hearing, the local board of school directors shall grant or deny the requested amendment. Failure by the local board of school directors to hold a public hearing and to grant or deny the amendments within the time period specified in this subsection shall be deemed an approval.

(4) An applicant for an amendment to a local board of school directors shall have the right to appeal the denial of a requested amendment to the appeal board provided for under section 1721-A.

Section 9. Section 1721-A(a) and (e) of the act, added June 19, 1997 (P.L.225, No.22), are amended to read:

Section 1721-A. State Charter School Appeal Board.--(a) The State Charter School Appeal Board shall consist of the Secretary of Education and [six (6)] the following members who shall be appointed by the Governor by and with the consent of a majority of all the members of the Senate. [Appointments by the Governor shall not occur prior to January 1, 1999.] The Governor shall select the chairman of the appeal board to serve at the pleasure of the Governor. The members shall include:

(1) A parent of a school-aged child enrolled in a charter school entity.

(2) A school board member.

(3) A certified teacher actively employed in a public school.

(4) A faculty member or administrative employee of an institution of higher education.

(5) A member of the business community.

(6) A member of the State Board of Education.

(7) An administrator of a charter school entity.

(8) A member of the board of trustees of a charter school entity.

The term of office of members of the appeal board, other than the secretary, shall be for a period of four (4) years or until a successor is appointed and qualified, except that, of the initial appointees, the Governor shall designate two (2) members to serve terms of two (2) years, two (2) members to serve terms of three (3) years and two (2) members to serve terms of four (4) years. A parent member appointed under paragraph (1) shall serve a term of four (4) years, provided the member's child remains enrolled in the charter school entity. Any appointment to fill any vacancy shall be for the period of the unexpired term or until a successor is appointed and qualified.

\*\*\*

(e) Meetings of the appeal board shall be conducted under [the act of July 3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings). Documents of the appeal board shall be subject to the act of [June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.] February 14, 2008 (P.L.6, No.3), known as the "Right-to-Know Law."

Section 10. Section 1722-A(a), (b) and (d) of the act, amended November 17, 2010 (P.L.996, No.104), are amended and the section is amended by adding subsections to read:

Section 1722-A. Facilities.--(a) A charter school entity may be located in an existing public school building, in a part of an existing public school building, in space provided on a privately owned site, in a public building or in any other suitable location.

(b) The charter school entity facility shall be exempt from public school facility regulations except those pertaining to the health or safety of [the pupils] students.

(b.1) (1) A charter school entity shall have the right of first refusal to purchase or lease, for educational purposes only, a public school building or a part of a public school building which is no longer in active use by the property titleholder, at the price of one of the following:

(i) The last best offer above fair market value received in the ninety (90) days preceding the charter school entity's offer.

(ii) Fair market value, if no offer has been received in the ninety (90) days preceding the charter school entity's offer.

(iii) Below fair market value, upon the mutual agreement of the school entity and the charter school entity.

(2) Subject to paragraph (4), a school entity shall accept an offer from a charter school entity that conforms to the provisions of paragraph (1).

(3) The department shall provide a page on its publicly accessible Internet website on which school entities are required to post a notice for each public school building or part of a public school building that is available for purchase or lease. A school entity shall submit a notice to the department on a form to be developed by the department. The department shall post the notice within five (5) days of receiving the form.

(4) The following shall apply to the sale or lease of a public school building or a part of a public school building by a school entity:

(i) A school entity may not enter a contract to sell or lease a building or part of a building until at least thirty (30) days after the posting of a notice as required under paragraph (3).

(ii) Where two (2) or more charter school entities make offers on the same building or part of a building that conform to the provisions of this subsection, the school entity shall:

(A) Accept the first offer where all the offers are equal.

(B) Accept the best offer where the offers differ.

(d) Notwithstanding any other provision of this act, a school district [of the first class] may, in its discretion, permit a charter school or regional charter school to operate its school at more than one location.

\*\*\*

(f) (1) Alcoholic beverages shall not be available for consumption, purchase or sale in any charter school entity facility.

(2) If, in the case of a charter school or regional charter school, the local board of school directors reasonably believes that alcoholic beverages have been made available for consumption, purchase or sale in the charter school or regional charter school facility, the local board of school directors shall notify the department.

(3) If alcoholic beverages have been made available for consumption, purchase or sale in a charter school entity facility, the secretary shall order the following forfeitures against the charter school entity:

(i) A fine of \$1,000 for the first violation.

(ii) A fine of \$5,000 for the second or subsequent violation.

(4) The charter school entity may appeal the order of the secretary under 2 Pa.C.S. Chs. 5 (relating to practice and procedure) and 7 (relating to judicial review).

Section 11. Section 1723-A(a) and (b) of the act, amended June 26, 1999 (P.L.394, No.36) are amended to read:

Section 1723-A. [Enrollment] Admission and Enrollment Requirements.--(a) (1) All resident children in this Commonwealth who submit a completed enrollment form in accordance with clause (3) qualify for admission to a charter school entity within the provisions of subsection (b). [If] In the case of a charter school, if more students apply to the charter school than the number of attendance slots available in the school, then students must be selected on a random basis from a pool of [qualified applicants meeting the established eligibility criteria and submitting an application] eligible applicants who have submitted an enrollment form in accordance with clauses (3) and (4) by the deadline established by the charter school, except that the charter school may give preference in enrollment to a child of a parent who has actively participated in the development of the charter school [and], to siblings of students presently enrolled in the charter school and to siblings of students selected for enrollment during the lottery process. First preference shall be given to students who reside in the district or districts[,] in which the charter school is physically located.

(2) If a charter school has a waiting list following its initial selection of eligible applicants under clause (1), the charter school shall select eligible applicants from the waiting list as spaces become available. All children shall be assigned to the waiting list on a random basis. When selecting eligible applicants from the waiting list, a charter school shall give first preference to students as provided under clause (1) and to those who reside in the district or districts in which the charter school is physically located until the charter school again reaches its maximum capacity of students. If a charter school has a waiting list, once the charter school has exhausted the waiting list of resident children, it may then enroll children on the waiting list who reside outside of the district. Nonresident children shall also be selected on a random basis.

(3) The department, in consultation with representatives of charter school entities, shall develop a standard enrollment form that shall be used by all eligible applicants to apply to a charter school entity. The standard enrollment form shall only request information necessary to allow the charter school entity to identify the student, grade level and residency, including:

(i) The student's name, physical address, telephone number, age, birth date and current grade level.

(ii) The name, physical address, telephone number and e-mail address of the student's parent or guardian.

(4) The standard enrollment form shall be made physically available at each charter school entity, in a form that complies with Federal and State law and posted on the publicly accessible Internet website of each charter school entity, if available. A charter school entity may accept the enrollment form via electronic means.

(5) When a student applies to a charter school entity, a charter school entity shall not require or request information beyond the contents of the standard enrollment form developed by the department.

(6) Nothing in this section shall prohibit a charter school entity from requesting the submission of additional records and information that public schools are entitled to receive after a student is accepted for admission to a charter school entity.

(7) As used in this subsection "eligible applicant" shall mean a student who is seeking to enter a grade level offered by the charter school and meets the requirements of 22 Pa. Code §§ 11.12 (relating to school age), 11.13 (relating to compulsory school age), 11.14 (relating to admission to kindergarten when provided), 11.15 (relating to admission of beginners), 11.16 (relating to early admission of beginners) and 12.1 (relating to free education and attendance) and student residency requirements.

(b) (1) A charter school entity shall not discriminate in its admission policies or practices on the basis of intellectual ability, [except as provided in paragraph (2), or] athletic ability, measures of achievement or aptitude, status as a person with a disability, proficiency in the English language or any other basis that would be illegal if used by a school district.

(2) A charter school entity may limit [admission] its academic focus to a particular grade level[,] or a targeted population group composed of at-risk students[, or areas of concentration of the school such as mathematics, science or the arts. A charter school may establish reasonable criteria to evaluate prospective students which shall be outlined in the school's charter.] or a specialized area or accelerated program of study, such as mathematics, science or the arts.

\*\*\*

Section 12. Section 1724-A(d) of the act, added June 19, 1997 (P.L.225, No.22), are reenacted to read:

Section 1724-A. School Staff.--\*\*\*

(d) Every employee of a charter school shall be provided [the same] similar health care benefits as the employee would be provided if he or she were an employee of the local district. The local board of school directors may require the charter school to provide [the same] similar terms and conditions with regard to health insurance as the collective bargaining agreement of the school district to include employee contributions to the district's health benefits plan. The charter school shall make any required employer's contribution to the district's health plan to an insurer, a local board of school directors or a contractual representative of school employees, whichever is appropriate to provide the required coverage.

\*\*\*

Section 13. Section 1725-A(a)(2) of the act, amended June 29, 2002 (P.L.524, No.88), is amended to read:

Section 1725-A. Funding for Charter Schools.--(a) Funding for a charter school shall be provided in the following manner:

\*\*\*

(2) For non-special education students, the charter school shall receive for each student enrolled no less than the budgeted total expenditure per average daily membership of the prior school year, as defined in section 2501(20), minus the budgeted expenditures of the district of residence for nonpublic school programs; adult education programs; community/junior college programs; student transportation services; for special education programs; facilities acquisition, construction and improvement services; programs and services to the extent they are funded from the proceeds of competitive grants from private or public resources or from contributions or donations from private sources; and other financing uses, including debt service and fund transfers as provided in the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems established by the department. This amount shall be paid by the district of residence of each student.

\*\*\*

Section 14. Section 1728-A(a) of the act, added June 19, 1997 (P.L.225, No.22), is amended to read:

Section 1728-A. Annual Reports and Assessments.--(a) (1) The local board of school directors shall annually assess whether each charter school or regional charter school is meeting the goals of its charter and shall conduct a comprehensive review prior to granting a [five (5) year] renewal of the charter pursuant to section 1720-A(a)(2). The local board of school directors shall have ongoing access to the records and facilities of the charter school or regional charter school to ensure that the charter school or regional charter school is in compliance with its charter and this act and that requirements for testing, civil rights and student health and safety are being met.

(2) Ongoing access to a charter school's or regional charter school's records shall mean that the local board of school directors shall have access to records such as financial reports, financial audits, aggregate standardized test scores without student-identifying information and teacher certification and personnel records.

(3) Charter schools and regional charter schools shall comply fully with the requirements of the Family Educational Rights and Privacy Act of 1974 (Public Law 90-247, 20 U.S.C. § 1232a) and associated regulations. No personally identifiable information from education records shall be provided by the charter school or regional charter school to the school district except in compliance with the Family Educational Rights and Privacy Act of 1974.

(b) In order to facilitate the local board's review and secretary's

report, each charter school or regional charter school shall submit an annual report no later than August 1 of each year to the local board of school directors and the secretary in the form prescribed by the secretary.

(c) Five (5) years following the effective date of this article, the secretary shall contract with an independent professional consultant with expertise in public and private education. The consultant shall receive input from members of the educational community and the public on the charter school program. The consultant shall submit a report to the secretary, the Governor and the General Assembly and an evaluation of the charter school program, which shall include a recommendation on the advisability of the continuation, modification, expansion or termination of the program and any recommendations for changes in the structure of the program.]

(d) A charter school entity shall form an independent audit committee of its board members which shall review at the close of each fiscal year a complete certified audit of the operations of the charter school entity. The audit shall be conducted by a qualified independent certified public accountant. The audit shall be conducted under generally accepted audit standards of the Governmental Accounting Standards Board and shall include the following:

(1) An enrollment test to verify the accuracy of student enrollment and reporting to the State.

(2) Full review of expense reimbursements for board members and administrators, including sampling of all reimbursements.

(3) Review of internal controls, including review of receipts and disbursements.

(4) Review of annual Federal and State tax filings, including the Internal Revenue Service Form 990, Return of Organization Exempt from Income Tax and all related schedules and appendices for the charter school entity and charter school foundation, if applicable.

(5) Review of the financial statements of any charter school foundation.

(6) Review of the selection and acceptance process of all contracts publicly bid pursuant to section 751.

(7) Review of all board policies and procedures with regard to internal controls, code of ethics, conflicts of interest, whistle-blower protections, complaints from parents or the public, compliance with 65 Pa.C.S. Ch. 7 (relating to open meetings), compliance with the "Right-to-Know Law," finances, budgeting, audits, public bidding and bonding.

(e) The certified audit under subsection (d) and the annual budget under subsection (g) are public documents and shall be made available on the charter school entity's publicly accessible Internet website, if available, and in the case of a charter school or regional charter school, on the school district's publicly accessible Internet website.

(f) A charter school entity may be subject to an annual audit by the Auditor General, in addition to any other audits required by Federal law or this article.

(g) A charter school entity shall annually provide the department and, in the case of a charter school or regional charter school, shall annually provide the school district, with a copy of the annual budget for the operation of the charter school entity that identifies the following:

(1) The source of funding for all expenditures as part of its reporting under subsection (a).

(2) Where funding is provided by a charter school foundation, the amount of funds and a description of the use of the funds.

(3) The salaries of all administrators of the charter school entity.

(4) All expenditures to an educational management service provider.

(h) (1) Notwithstanding any other provision of law, a charter school entity and any affiliated charter school foundation shall make copies of its annual Federal and State tax filings available upon request and on the foundation's or charter school entity's publicly accessible Internet website, if applicable, including Internal Revenue Service Form 990, Return of Organization Exempt from Income Tax and all related schedules and appendices.

(2) The charter school foundation shall also make copies of its annual budget available upon request and on the foundation's or the charter school entity's publicly accessible Internet website within thirty (30) days of the close of the foundation's fiscal year.

(3) The annual budget shall include the salaries of all employees of the charter school foundation.

Section 15. The act is amended by adding a section to read:

Section 1728.2-A. Charter Authorizer Accountability.--(a) Each local board of school directors shall be required to submit to the department an annual report summarizing:

(1) The strategic vision for chartering and progress toward achieving that vision.

(2) The academic and financial performance of all operating public charter schools and regional charter schools overseen by the local board of school directors according to the performance expectations for public charter schools set forth in this act.

(3) The status of the local board of school directors' charter school and regional charter school portfolio, identifying all public charter schools in each of the following categories: (i) approved, but not open; (ii) open and operating; and (iii) closed, including the year closed and the reason for closure.

(4) The authorizing functions provided by the local board of school directors to the public charter schools and regional charter schools under its purview, including the authorizer's operating costs and expenses detailed in annual audited financial statements that conform to generally accepted accounting principles.

(b) The department shall be responsible for the following:

(1) Oversight of the performance of each established local board of school directors.

(2) Formal evaluation of the overall State charter school program and outcomes every five years.

(3) For each local board of school directors an annual review, based on objective data, to determine how well it is exercising its duties and maintaining a portfolio of high-performing charter schools.

(4) In reviewing or evaluating the performance of each local board of school directors, the department shall apply nationally recognized principles and standards of quality charter school authorizing including, but not limited to, those of the National Association of Charter School Authorizers.

(c) The department shall publish the annual reviews on its publicly accessible Internet website and submit a summary report regarding performance to the Governor and the General Assembly.

(d) (1) By November 30, 2014, the department shall develop a plan for sanctioning local boards of school directors that maintain portfolios with persistently low-performing charter schools and regional charter schools and fail to provide adequate oversight or intervention that may include a corrective action plan and other sanctions deemed necessary by the department.

(2) The department must issue its plan for sanctioning local boards of school directors to the President pro tempore of the Senate, the Majority Leader and Minority Leader of the Senate, the Education Committee of the Senate, the Speaker of the House of Representatives, the Majority Leader and Minority Leader of the House of Representatives and the Education Committee of the House of Representatives.

(3) The plan for sanctioning local boards of school directors developed by the department shall not go into effect unless the plan for sanctioning local boards of school directors is approved by an act of the General Assembly.

Section 16. Section 1729-A(a), (b) and (c) of the act, added June 19, 1997 (P.L.225, No.22), are amended to read:

Section 1729-A. Causes for Nonrenewal or Termination.--(a) During the term of the charter or at the end of the term of the charter, the local board of school directors may choose to revoke or not to renew the charter based on any of the following:

(1) One or more material violations of any of the conditions, standards or procedures contained in the written charter signed pursuant to section 1720-A.

(2) Failure to meet the requirements for student performance [set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 5] on assessments or failure to meet any performance standard set forth in the written charter signed pursuant to section [1716-A] 1720-A.

(3) Failure to meet generally accepted standards of fiscal management or audit requirements.

(4) Violation of provisions of this article.

(5) Violation of any provision of law from which the charter school entity has not been exempted, including Federal laws and regulations governing children with disabilities.

[(6) The charter school has been convicted of fraud.]

\*\*\*

(b) [A member of the board of trustees who is convicted of a fel-



ony or any crime involving moral turpitude shall be immediately disqualified from serving on the board of trustees.] If, after a hearing under this section, a local board of school directors or, in the case of a cyber charter school, the department proves by a preponderance of the evidence that an administrator or board member of a charter school entity has violated this article, the terms and conditions of the charter or any other law, the local board of school directors or, in the case of a cyber charter school, the department may require the charter school entity to replace the administrator or board of trustees member in order to obtain renewal of the charter. The local board of school directors or, in the case of a cyber charter school, the department may refer its findings to the district attorney with jurisdiction or to the Office of Attorney General for prosecution if the local board of school directors or, in the case of a cyber charter school, the department discovers or receives information about possible violations of law by any person affiliated with or employed by a charter school entity.

(c) Any notice of revocation or nonrenewal of a charter given by the local board of school directors of a school district shall state the grounds for such action with reasonable specificity and give reasonable notice to the [governing] board of trustees of the charter school or regional charter school of the date on which a public hearing concerning the revocation or nonrenewal will be held. The local board of school directors shall conduct such hearing, present evidence in support of the grounds for revocation or nonrenewal stated in its notice and give the charter school or regional charter school reasonable opportunity to offer testimony before taking final action. Formal action revoking or not renewing a charter shall be taken by the local board of school directors held at a public meeting pursuant to [the act of July 3, 1986 (P.L.388, No.84), known as the "Sunshine Act,"] 65 Pa.C.S. Ch. 7 (relating to open meetings) after the public has had thirty (30) days to provide comments to the board. All proceedings of the local board pursuant to this subsection shall be subject to 2 Pa.C.S. Ch. 5 Subch. B (relating to practice and procedure of local agencies). Except as provided in subsection (d), the decision of the local board shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating to judicial review of local agency action).

\*\*\*

Section 17. The act is amended by adding sections to read:

Section 1729.1-A. Evaluation of Educators.--(a) All applications by a charter school entity for a charter or for the renewal of a charter shall include a system of evaluation for educators that includes:

(1) at least four (4) rating categories of educator performance; and  
(2) multiple measures of student performance which shall include, but may not be limited to, value-added assessment system data made available by the department under section 221 and student performance on the most recent assessments for which results have been released by the department and may include goals specific to the mission of the charter school entity's charter.

(b) Nothing in this section shall preempt the powers of a board of trustees under section 1716-A(a) nor affect the intent of the General Assembly provided in section 1702-A(3) and (4).

(c) For purposes of this section, the term "educator" shall include all professional employees who are certified as teachers and noncertified staff members who teach in a charter school entity.

Section 1729.2-A. Multiple Charter School Organizations.--(a) A multiple charter school organization approved by the secretary under this section shall be:

(1) granted legal authority to operate two (2) or more individual charter schools established under the requirements of section 1717-A under the management of a single board of trustees and a chief administrator, subject to the oversight of the authorizing school district for each charter school included in the multiple charter school organization;

(2) subject to all of the requirements of this article, unless otherwise provided for under this section; and

(3) the holder of the charter of each individual charter school within the organization.

(b) Subject to the requirements of this section and 15 Pa.C.S. Pt. II Subpt. C (relating to nonprofit corporations), two (2) or more charter schools may consolidate into a multiple charter school organization pursuant to the following:

(1) Each charter school seeking to consolidate pursuant to this section shall submit an application for consolidation to the department and to the authorizing school district for each charter school included in the proposed consolidation. The application must be submitted to the department and to all authorizing school districts on the same day.

(2) A school district that receives an application for consolidation under paragraph (1) may object to the proposed consolidation by filing a statement of its objections to the application with the department and each charter school included in the proposed consolidation within thirty (30) days of the submission date. If an authorizing school district does not file a statement of its objections within thirty (30) days of the submission date, the authorizing school district shall be deemed to assent to the application.

(3) Within thirty (30) days of its receipt of a school district's statement of its objections under paragraph (2), the department shall conduct a hearing to consider the application and the school district's objections. The hearing required under this paragraph shall be conducted by an impartial hearing officer appointed by the Governor's Office of General Counsel. In conducting the hearing, the hearing officer may request that the authorizing school districts and the charter schools included in the proposed consolidation provide any supplemental information the hearing officer deems necessary in considering the application and the school district's objections.

(4) Within sixty (60) days of the hearing conducted pursuant to paragraph (3), the hearing officer shall submit to the secretary a report stating the hearing officer's recommendations concerning the application.

(5) (i) Subject to subparagraph (ii), within sixty (60) days following receipt of the report, the secretary shall issue a decision and serve the decision on all charter schools included in the proposed consolidation and the authorizing school district for each charter school included in the proposed consolidation. In issuing a decision, the secretary shall consider only whether the proposed consolidation is in compliance with subsection (c).

(ii) If no authorizing school district for any charter included in the proposed consolidation files a statement of its objections with the department within thirty (30) days of the submission date, the secretary shall issue the decision required under subparagraph (i) within sixty (60) days of the submission date. In issuing a decision under this subparagraph, the secretary may request that the authorizing school districts and the charter schools included in the proposed consolidation provide any supplemental information the secretary deems necessary in considering the application.

(6) A decision of the secretary under this section may be appealed to the Commonwealth Court under 2 Pa.C.S. (relating to administrative law and procedure).

(7) A proposed consolidation under this section shall not require court approval under 20 Pa.C.S. Ch. 77 (relating to trusts).

(c) A charter school that, within either of the two (2) school years immediately preceding the submission date, has failed to meet the requirements for student performance specified in 22 Pa. Code Ch. 4 (relating to academic standards and assessment), accepted standards of fiscal management or audit requirements or performance standards of the matrix established under section 1731.1-A shall not be eligible to consolidate with another charter school, unless the consolidation includes a charter school demonstrating that it has satisfied the requirements for the most recent two (2) school years.

(d) A multiple charter school organization may:

(1) Participate in the assessment system in the same manner in which a school district participates, with its individual charter schools within the organization participating in the assessment system in the same manner as individual schools within school districts. All data gathered for purposes of evaluation shall be gathered in the same manner in which data is gathered in the case of school districts and individual schools within school districts. Nothing in this paragraph shall be construed to alter the manner in which charter school performance on assessments is measured as required under the No Child Left Behind Act of 2001 (Public Law 107-110, 115 Stat. 1425), or its successor Federal statute.

(2) Allow a student enrolled in a charter school within the organization to matriculate to another charter school within the organization so as to complete a course of instruction in an educational institution from kindergarten through grade twelve or otherwise in the best interests of the student.

(3) Add existing charter schools to the organization pursuant to the procedure specified in subsection (b). Only a charter school already established under section 1717-A may be added to a multiple charter school organization.

(e) The charter of each individual charter school within a multiple

charter school organization shall be subject to nonrenewal or revocation by the authorizing school district for the individual charter school pursuant to section 1729-A. The nonrenewal or revocation of the charter of an individual charter school within a multiple charter school organization shall not affect the status of the charter of any other individual charter school within the organization.

(f) The department shall develop and place on its publicly accessible Internet website a standard application form that charter schools shall use in applying for consolidation under this section. The application form shall contain the following information:

(1) The name of the multiple charter school organization.  
(2) The names of the charter schools included in the proposed consolidation.

(3) A copy of the approved charter of each charter school included in the proposed consolidation.

(4) An organizational chart clearly presenting the proposed governance structure of the multiple charter school organization, including lines of authority and reporting between the board of trustees, chief administrator, administrators, staff and any educational management service provider that will play a role in providing management services to the charter schools within the proposed organization.

(5) A clear description of the roles and responsibilities for the board of trustees, chief administrator, administrators and any other entities, including a charter school foundation, shown in the organizational chart.

(6) A clear description of the method for the appointment or election of members of the board of trustees of the proposed organization.

(7) Standards for board of trustees performance which shall, at a minimum, include compliance with all applicable laws, regulations and terms of the charter of each charter school included in the proposed organization.

(8) Enrollment procedures for each charter school included in the proposed organization.

(9) Any other information as deemed necessary by the department.

(g) Subject to subsection (a), nothing in this section shall be construed to affect or change the terms or conditions of the charters of any individual charter schools that are consolidated under this section, including, but not limited to, any obligation of a school district to provide transportation for students enrolled in an individual charter school within a multiple charter school organization.

(h) As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Authorizing school district." The school district that granted the initial charter of a charter school.

"Charter school." A charter school or regional charter school.

"Decision." The secretary's written approval or rejection of an application for consolidation.

"Multiple charter school organization" or "organization." A multiple charter school organization established under this section.

"Submission date." The date on which a consolidation application is submitted to the department and the authorizing school district for each charter school included in a proposed consolidation.

Section 1731.1-A Performance Matrix.--(a) Within one (1) year of the effective date of this section, the State Board of Education shall develop a standard performance matrix to evaluate charter school entity performance. Within one (1) year of the effective date of this section, the State Board of Education shall also propose regulations pursuant to the act of June 25, 1982 (P.L.633, No.181), known as the "Regulatory Review Act," to implement this section.

(b) The performance matrix shall assess performance by utilizing objective criteria, including, but not limited to: student performance on assessments; annual growth as measured by the Pennsylvania Value-Added Assessment System; attendance; attrition rates; graduation rates; other standardized test scores; school safety; parent satisfaction; accreditation by a nationally recognized accreditation agency, including the Middle States Association of Colleges and Schools or another regional institutional accrediting agency recognized by the United States Department of Education or an equivalent federally recognized body for charter school education; and other measures of school quality, including measures for assessing teacher effectiveness.

(c) In developing the performance matrix, the State Board of Education shall determine an academic quality benchmark the satisfaction of which shall qualify a charter school entity for a ten (10) year renewal

term pursuant to sections 1720-A(a)(2) and 1745-A(f)(3). The academic quality benchmark shall be included in the regulations required under subsection (a).

(d) In developing the performance matrix, the State Board of Education may contract for consulting services with an entity that has experience in developing performance matrices if the services are procured through a competitive bidding process.

(e) Neither the department nor the local board of school directors may develop a separate performance matrix for the evaluation of a charter school entity.

(f) A local board of school directors shall utilize the standard performance matrix as a primary factor in evaluating new and renewal charter school and regional charter school applicants and in annual monitoring and evaluation of charter schools and regional charter schools.

(g) The department shall utilize the standard performance matrix as a primary factor in evaluating new and renewal cyber charter school applicants, in evaluating consolidation applications under section 1729.2-A and in annual monitoring and evaluation of cyber charter schools.

(h) In developing the performance matrix and promulgating the regulations required under subsection (a), the State Board of Education shall convene and consult with a Statewide advisory committee which shall consist of representatives of the department and a minimum of seven (7) representatives from charter schools, regional charter schools, cyber charter schools, school district personnel and institutions of higher education with experience in the oversight of charter schools. Members of the committee shall be selected to be representative of the urban, rural and suburban areas of this Commonwealth.

(i) The Statewide advisory committee required to be convened under subsection (h) shall be convened not later than thirty (30) days after the effective date of this section and shall meet regularly to fulfill requirements of this paragraph.

(j) The department shall distribute the performance matrix to all school districts and shall publish the matrix on the department's publicly accessible Internet website.

Section 18. Section 1732-A of the act, amended June 29, 2002 (P.L.524, No.88), is amended to read:

Section 1732-A. Provisions Applicable to Charter Schools and Regional Charter Schools.--(a) Charter schools and regional charter schools shall be subject to the following:

Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310, 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333, 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A, Article XIII-A and Article XIV.

Act of July 19, 1957 (P.L.1017, No.451), known as the "State Adverse Interest Act."

Act of July 17, 1961 (P.L.776, No.341), known as the "Pennsylvania Fair Educational Opportunities Act."

Act of July 19, 1965 (P.L.215, No.116), entitled "An act providing for the use of eye protective devices by persons engaged in hazardous activities or exposed to known dangers in schools, colleges and universities."

Section 4 of the act of January 25, 1966 (1965 P.L.1546, No.541), entitled "An act providing scholarships and providing funds to secure Federal funds for qualified students of the Commonwealth of Pennsylvania who need financial assistance to attend postsecondary institutions of higher learning, making an appropriation, and providing for the administration of this act."

Act of July 12, 1972 (P.L.765, No.181), entitled "An act relating to drugs and alcohol and their abuse, providing for projects and programs and grants to educational agencies, other public or private agencies, institutions or organizations."

Act of December 15, 1986 (P.L.1595, No.175), known as the "Antihazing Law."

65 Pa.C.S. Ch. 7 (relating to open meetings).

65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure).

(b) Charter schools and regional charter schools shall be subject to the following provisions of 22 Pa. Code:

[Section 5.216 (relating to ESOL).

Section 5.4 (relating to general policies).]



Chapter 4 (relating to academic standards and assessments).

Chapter 11 (relating to pupil attendance).

Chapter 12 (relating to students).

Section 32.3 (relating to assurances).

Section 121.3 (relating to discrimination prohibited).

Section 235.4 (relating to practices).

Section 235.8 (relating to civil rights).

Chapter 711 (relating to charter school services and programs for children with disabilities).

(c) (1) The secretary may promulgate additional regulations relating to charter schools and regional charter schools.

(2) The secretary shall have the authority and the responsibility to ensure that charter schools and regional charter schools comply with Federal laws and regulations governing children with disabilities. The secretary shall promulgate regulations to implement this provision.

Section 19. The act is amended by adding a section to read:

Section 1733-A. Effect on Existing Charter School Entities.--(a) Within one (1) year of the effective date of this section, a charter school entity established under section 1717-A, 1718-A or 1745-A prior to the effective date of this section shall amend the current charter through the amendment process under sections 1720-A(c) and 1745-A(f)(5) as needed to reflect the requirements of this article. Any renewal that takes effect after July 15, 2013, shall be for the term specified under sections 1720-A(a) and 1745-A(f)(3).

(b) A charter school entity approved after the effective date of this section shall be in full compliance with this article.

(c) Within sixty (60) days of the effective date of this section, each charter school entity shall demonstrate to the satisfaction of the local board of school directors or, in the case of a cyber charter school, to the satisfaction of the department that the charter school entity is in compliance with sections 1332 and 1333, including the institution of truancy proceedings when required under section 1333.

Section 20. Sections 1741-A(c), 1742-A and 1743-A(e) of the act, added June 29, 2002 (P.L.524, No.88), are amended to read:

Section 1741-A. Powers and duties of department.

\*\*\*

(c) Documents.--Documents of the appeal board shall be subject to [the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.] the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

Section 1742-A. Assessment and evaluation.

The department shall:

(1) Annually assess whether each cyber charter school is meeting the goals of its charter and is in compliance with the provisions of the charter and conduct a comprehensive review prior to granting a [five-year] renewal of the charter for the period specified in section 1745-A(f)(3).

(2) Annually review each cyber charter school's performance on the Pennsylvania System of School Assessment test, standardized tests and other performance indicators to ensure compliance with 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.

(3) Have ongoing access to all records, instructional materials and student and staff records of each cyber charter school and to every cyber charter school facility to ensure the cyber charter school is in compliance with its charter and this subdivision.

Section 1743-A. Cyber charter school requirements and prohibitions.

\*\*\*

(e) Students.--For each student enrolled, a cyber charter school shall:

(1) provide all instructional materials, which may include electronic or digital books in place of textbooks;

(2) provide all equipment, including, but not limited to, a computer, computer monitor and printer; and

(3) provide or reimburse for all technology and services necessary for the on-line delivery of the curriculum and instruction.

The Commonwealth shall not be liable for any reimbursement owed to students, parents or guardians by a cyber charter school under paragraph (3).

\*\*\*

Section 21. Section 1745-A(c), (e) and (f) of the act, added June 29, 2002 (P.L.524, No.88), are amended and the section is amended by adding a subsection to read:

Section 1745-A. Establishment of cyber charter school.

\*\*\*

(b.1) Local board of school directors or intermediate unit.--

(1) A cyber charter school may be established by a local board of school directors or an intermediate unit if the procedures and requirements of this article are satisfied.

(2) Nothing in this article shall be construed to preclude a school district or an intermediate unit from offering instruction via the Internet or other electronic means, except that the instruction shall not be recognized as a cyber charter school under this article unless the school district or intermediate unit establishes a cyber charter school pursuant to subsections (a) and (b.1)(1).

(c) Attendance.--Attendance at a cyber charter school shall satisfy requirements for compulsory attendance, subject to penalties for violations of compulsory attendance requirements under section 1333.

\*\*\*

(e) Grant or denial.--Within 120 days of receipt of an application, the department shall grant or deny the application. The department shall review the application and shall hold at least one public hearing under 65 Pa.C.S. Ch. 7 (relating to open meetings). At least 30 days prior to the hearing, the department shall publish in the Pennsylvania Bulletin and on the department's [World Wide Web site] publicly accessible Internet website notice of the hearing and the purpose of the application.

(f) Evaluation criteria.--

(1) A cyber charter school application submitted under this subdivision shall be evaluated by the department based on the following criteria:

(i) The demonstrated, sustainable support for the cyber charter school plan by teachers, parents [or], guardians and students.

(ii) The capability of the cyber charter school applicant, in terms of support and planning, to provide comprehensive learning experiences to students under the charter.

(iii) The extent to which the programs outlined in the application will enable students to meet the academic standards under 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.

(iv) The extent to which the application meets the requirements of section 1747-A.

(v) The extent to which the cyber charter school may serve as a model for other public schools.

(2) Written notice of the action of the department shall be sent by certified mail to the applicant and published on the department's [World Wide Web site] publicly accessible Internet website. If the application is denied, the reasons for denial, including a description of deficiencies in the application, shall be clearly stated in the notice.

(3) Upon approval of a cyber charter school application, a written charter shall be developed which shall contain the provisions of the charter application and be signed by the secretary and each member of the board of trustees of the cyber charter school. The charter, when duly signed, shall act as legal authorization of the establishment of a cyber charter school. The charter shall be legally binding on the department, the cyber charter school and its board of trustees. The charter [shall be for a period of no less than three years nor more than five years and may be renewed for a period of five years by the department.] term shall be as follows:

(i) An initial charter granted pursuant to this section shall be for a period of five years.

(ii) Prior to the effective date of the regulations implementing the performance matrix as required pursuant to section 1731.1-A, a charter may be renewed for five-year periods upon reauthorization by the department.

(iii) Upon the effective date of the regulations implementing the performance matrix as required pursuant to section 1731.1-A, the following shall apply:

(A) For cyber charter schools that have satisfied the academic quality benchmark established by the State Board of Education pursuant to section 1731.1-A, a charter may be renewed for ten-year periods upon reauthorization by the department.

(B) For cyber charter schools that have not satisfied the academic quality benchmark established by the State Board of Education pursuant to section 1731.1-A, a charter may be renewed for five-year periods upon reauthorization by the department.

(4) The decision of the department to deny an application may be appealed to the appeal board.

(5) (i) A cyber charter school may request amendments to its approved written charter by filing with the department a written document describing the requested amendment.

(ii) Within 20 days of its receipt of the request for an amendment, the department shall hold a public hearing on the requested amendment under 65 Pa.C.S. Ch. 7 (relating to open meetings).

(iii) Within 20 days after the hearing, the department shall grant or deny the requested amendment. Failure by the department to hold a public hearing and to grant or deny the amendments within the time period specified shall be deemed an approval.

(iv) An applicant for an amendment shall have the right to appeal the denial of a requested amendment to the appeal board provided for under section 1721-A.

\* \* \*

Section 22. Section 1749-A(a) of the act, added June 29, 2002 (P.L.524, No.88), is amended to read:

Section 1749-A. Applicability of other provisions of this act and of other acts and regulations.

(a) General requirements.--Cyber charter schools shall be subject to the following:

(1) Sections 108, 110, 111, 321, 325, 326, 327, 431, 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753, [755.] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303, 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A, 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-B, 1702-A, 1703-A, 1714-A, 1715-A, 1716-A, 1716.2-A, 1719-A, 1721-A, 1722-A, 1723-A(a) and (b), 1724-A, 1725-A, 1727-A, 1728-A(d), (e), (f), (g) and (h), 1729-A, 1729.1-A, 1730-A, 1731-A(a)(1) and (b), 1731.1-A, 1733-A and 2014-A and Articles [XII-A,] XIII-A and XIV.

(1.1) The act of July 19, 1957 (P.L.1017, No.451), known as the State Adverse Interest Act.

(2) The act of July 17, 1961 (P.L.776, No.341), known as the Pennsylvania Fair Educational Opportunities Act.

(3) The act of July 19, 1965 (P.L.215, No.116), entitled "An act providing for the use of eye protective devices by persons engaged in hazardous activities or exposed to known dangers in schools, colleges and universities."

(4) Section 4 of the act of January 25, 1966 (1965 P.L.1546, No.541), entitled "An act providing scholarships and providing funds to secure Federal funds for qualified students of the Commonwealth of Pennsylvania who need financial assistance to attend postsecondary institutions of higher learning, making an appropriation, and providing for the administration of this act."

(5) The act of July 12, 1972 (P.L.765, No.181) entitled "An act relating to drugs and alcohol and their abuse, providing for projects and programs and grants to educational agencies, other public or private agencies, institutions or organizations."

(6) The act of December 15, 1986 (P.L.1595, No.175), known as the Antihazing Law.

(7) 65 Pa.C.S. Ch. 7 (relating to open meetings).

(8) 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure).

\* \* \*

Section 23. This act shall take effect as follows:

(1) The following provisions shall take effect immediately:

(i) The addition of section 1733-A of the act.

(ii) This section.

(2) The addition of section 1729.2-A of the act shall take effect upon the effective date of regulations implementing the performance matrix required under section 1731.1-A of the act.

(3) The remainder of this act shall take effect in 60 days.

On the question,

Will the Senate agree to the amendment?

The PRESIDENT. The Chair recognizes the gentleman from Lancaster, Senator Smucker.

Senator SMUCKER. Mr. President, it should be apparent that charter schools are a popular education option in many places and will remain so. A lot of committed individuals are investing considerable time, talent, and resources in these schools, and new

proposals are constantly being assembled and promoted. Given that Pennsylvania was an early implementer of the model, it is not surprising that years of experience show that the law and the funding mechanisms need reform and improvement. Easily said, not so easily accomplished. There are many possibilities for reform, but there are varying levels of support for different elements. In light of the strong passion on both sides, it does not seem it all can be resolved at the same time.

The amendment being offered today has been developed in an effort to deliver as much reform as is attainable in this Session, and to leave the remaining points of contention for other avenues of remedy. The charter school accountability measures included in the amendment are vital. Fortunately, they are also the measures on which there is the broadest agreement. It is made crystal clear that the fundamental good government laws apply to brick and mortar and cyber charter schools - open meetings, open records, and ethics standards. Where charter operators have found themselves in trouble is because of secret decisionmaking and conflict of interest. Transparency and accountability are sure cures for the troubling managerial and financial afflictions plaguing certain schools. Several of the provisions in the bill are pure and plain commonsense. Conflict of interest situations are erased, questionable financial practices are cleaned up. An administrator convicted of a serious crime loses his or her job. On the plus side, there is an effort to offer charter school students opportunities others have such as dual enrollment.

As we all know, the most frequent complaints from school districts are aimed at the funding formula. It does not seem likely that a consensus on a revised charter school funding formula can be achieved outside the discussion of a better basic education formula, so that issue is separated from this original bill. Under the bill, the State Department of Education has two essential responsibilities. One is to develop a standard charter school application. This is intended to squeeze the guesswork and gamesmanship out of the process. Second is to develop a performance matrix to measure success. Right now, charter school advocates claim great success, critics contend widespread failure, and the taxpayers are left to wonder where the truth is. A fair way must be found to effectively establish which schools are meeting performance standards and which are not.

Despite a lot of rhetoric that misleads and obscures, charter schools are public schools. Our obligation is to insure that the parental support charter schools enjoy is matched by academic and instructional strength, acceptable student progress, and transparent accountable operations.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Philadelphia, Senator Williams.

Senator WILLIAMS. Mr. President, I respect the work of the chairman, I respect the work of the committee, and I respect the work of the community. It is a challenge to get to some level of charter reform that we actually need, and for some portion of it I was involved. This recent creation, I cannot honestly tell you I have been connected with it, and so I have studied it as much as I can within a short period of time. While I recognize there are wonderful aspects of this which are long overdue and committed to by myself and a variety of others in the charter community, I am not quite sure there are other parts of it that go as far as we would like it to go. And for those reasons, I will be a negative vote when it comes to this particular piece of legislation.

Thank you, Mr. President.

And the question recurring,  
Will the Senate agree to the amendment?

The yeas and nays were required by Senator SMUCKER and were as follows, viz:

#### YEA-42

Alloway	Eichelberger	Leach	Vance
Argall	Erickson	McIlhinney	Vogel
Baker	Ferlo	Mensch	Vulakovich
Blake	Folmer	Pileggi	Wagner
Boscola	Fontana	Rafferty	Ward
Brewster	Gordner	Robbins	White
Browne	Greenleaf	Scarnati	Wozniak
Brubaker	Hughes	Schwank	Yaw
Corman	Hutchinson	Smucker	Yudichak
Costa	Kasunic	Teplitz	
Dinniman	Kitchen	Tomlinson	

#### NAY-8

Farnese	Solobay	Tartaglione	Wiley
Smith	Stack	Washington	Williams

A majority of the Senators having voted "aye," the question was determined in the affirmative.

Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

#### BILLS OVER IN ORDER

**SB 1135, SB 1169 and HB 1177** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

#### BILLS LAID ON THE TABLE

**SB 1219 (Pr. No. 1676)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of July 28, 1953 (P.L.723, No.230), known as the Second Class County Code, further providing for the filling of vacancies in the office of district attorney.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

**SB 1220 (Pr. No. 1677)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of May 3, 1850 (P.L.654, No.385), entitled "An act providing for the election of district attorneys," further providing for the filling of vacancies in the office of district attorney.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

#### BILL OVER IN ORDER

**SB 1316** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

#### BILLS ON THIRD CONSIDERATION AND FINAL PASSAGE

**SB 1332 (Pr. No. 1928)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, providing for the definition of "unmanned aircraft"; in game or wildlife protection, further providing for disturbance of game or wildlife; and, in hunting and furtaking, further providing for interference with lawful taking of wildlife or other activities permitted by this title prohibited.

Considered the third time and agreed to,

On the question,  
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

#### YEA-50

Alloway	Farnese	Pileggi	Vogel
Argall	Ferlo	Rafferty	Vulakovich
Baker	Folmer	Robbins	Wagner
Blake	Fontana	Scarnati	Ward
Boscola	Gordner	Schwank	Washington
Brewster	Greenleaf	Smith	White
Browne	Hughes	Smucker	Wiley
Brubaker	Hutchinson	Solobay	Williams
Corman	Kasunic	Stack	Wozniak
Costa	Kitchen	Tartaglione	Yaw
Dinniman	Leach	Teplitz	Yudichak
Eichelberger	McIlhinney	Tomlinson	
Erickson	Mensch	Vance	

#### NAY-0

A majority of the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present said bill to the House of Representatives for concurrence.

**SB 1334 (Pr. No. 1929)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, providing for the definition of "unmanned aircraft"; and, in enforcement, further providing for interference with lawful fishing and boating prohibited.

Considered the third time and agreed to,

On the question,  
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

#### YEA-50

Alloway	Farnese	Pileggi	Vogel
Argall	Ferlo	Rafferty	Vulakovich
Baker	Folmer	Robbins	Wagner
Blake	Fontana	Scarnati	Ward

Boscola	Gordner	Schwank	Washington
Brewster	Greenleaf	Smith	White
Browne	Hughes	Smucker	Wiley
Brubaker	Hutchinson	Solobay	Williams
Corman	Kasunic	Stack	Wozniak
Costa	Kitchen	Tartaglione	Yaw
Dinniman	Leach	Teplitz	Yudichak
Eichelberger	McIlhinney	Tomlinson	
Erickson	Mensch	Vance	

## NAY-0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate present said bill to the House of Representatives for concurrence.

## BILL OVER IN ORDER

**HB 1337** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

## BILL LAID ON THE TABLE

**SB 1356 (Pr. No. 2003)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of July 22, 1974 (P.L.589, No.205), known as the Unfair Insurance Practices Act, further providing for definitions.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

## SB 1356 TAKEN FROM THE TABLE

Senator PILEGGI. Mr. President, I move that Senate Bill No. 1356, Printer's No. 2003, be taken from the table and placed on the Calendar.

The motion was agreed to by voice vote.

The PRESIDENT. The bill will be placed on the Calendar.

## BILL LAID ON THE TABLE

**SB 1357 (Pr. No. 2004)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, further providing for definitions.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

## SB 1357 TAKEN FROM THE TABLE

Senator PILEGGI. Mr. President, I move that Senate Bill No. 1357, Printer's No. 2004, be taken from the table and placed on the Calendar.

The motion was agreed to by voice vote.

The PRESIDENT. The bill will be placed on the Calendar.

## BILLS OVER IN ORDER

**HB 1714** and **HB 1925** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON THIRD CONSIDERATION  
AND FINAL PASSAGE

**HB 1980 (Pr. No. 2920)** -- The Senate proceeded to consideration of the bill, entitled:

An Act repealing the act of July 31, 1941 (P.L.616, No.261), known as the Employment Agency Law.

Considered the third time and agreed to,

On the question,  
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

## YEA-50

Alloway	Farnese	Pileggi	Vogel
Argall	Ferlo	Rafferty	Vulakovich
Baker	Folmer	Robbins	Wagner
Blake	Fontana	Scarnati	Ward
Boscola	Gordner	Schwank	Washington
Brewster	Greenleaf	Smith	White
Browne	Hughes	Smucker	Wiley
Brubaker	Hutchinson	Solobay	Williams
Corman	Kasunic	Stack	Wozniak
Costa	Kitchen	Tartaglione	Yaw
Dinniman	Leach	Teplitz	Yudichak
Eichelberger	McIlhinney	Tomlinson	
Erickson	Mensch	Vance	

## NAY-0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Secretary of the Senate return said bill to the House of Representatives with information that the Senate has passed the same without amendments.

## BILLS OVER IN ORDER

**HB 2110** and **HB 2242** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

## SECOND CONSIDERATION CALENDAR

## BILLS OVER IN ORDER

**HB 80** and **HB 91** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON SECOND CONSIDERATION  
AND REREFERRED

**HB 278 (Pr. No. 813)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, further providing, in general budget implementation, for the Department of Public Welfare.

Considered the second time and agreed to,  
Ordered, To be printed on the Calendar for third consideration.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill just considered was rereferred to the Committee on Appropriations.

#### BILLS OVER IN ORDER

**HB 473, SB 476, SB 918, HB 1234 and SB 1240** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

#### BILL ON SECOND CONSIDERATION

**SB 1266 (Pr. No. 1885)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of June 24, 1976 (P.L.424, No.101), referred to as the Emergency and Law Enforcement Personnel Death Benefits Act, further providing for certification of death.

Considered the second time and agreed to,  
Ordered, To be printed on the Calendar for third consideration.

#### BILLS OVER IN ORDER

**SB 1268, SB 1274, HB 1298, SB 1310, SB 1378 and SB 1402** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

#### BILL ON SECOND CONSIDERATION

**SB 1405 (Pr. No. 2103)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for issuance and content of driver's license.

Considered the second time and agreed to,  
Ordered, To be printed on the Calendar for third consideration.

#### BILLS OVER IN ORDER

**SB 1423 and SB 1432** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

#### BILL AMENDED

**SB 1443 (Pr. No. 2213)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of October 8, 2012 (P.L.1194, No.147), known as the Indigenous Mineral Resources Development Act, further providing for definitions.

On the question,  
Will the Senate agree to the bill on second consideration?  
Senator WHITE offered the following amendment No. A8443:

Amend Bill, page 2, line 2, by inserting after "Commission.":  
The term shall also include coal, oil, natural gas, coal bed methane, limestone and other mineral rights owned by the Commonwealth, regardless of whether the rights have been severed from the surface estate.  
Amend Bill, page 2, line 7, by inserting after "Services.":  
The term shall also include coal, oil, natural gas, coal bed methane, limestone and other mineral rights owned by the State system, regardless of whether the rights have been severed from the surface estate.

On the question,  
Will the Senate agree to the amendment?

The PRESIDENT. The Chair recognizes the gentleman from Indiana, Senator White.

Senator WHITE. Mr. President, this amendment is at the request of the administration and further clarifies Act 147. It allows for the leasing of minerals when only the subsurface is owned. I appreciate positive consideration. Thank you.

And the question recurring,  
Will the Senate agree to the amendment?  
It was agreed to.

Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

#### BILL OVER IN ORDER

**HB 1654** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

#### BILL ON SECOND CONSIDERATION, AMENDED

**HB 1972 (Pr. No. 3815)** -- The Senate proceeded to consideration of the bill, entitled:

An Act designating a bridge in Greene County as the Lieutenant Colonel Cephus Lee Roupe Memorial Bridge; designating the bridges recognized as MF 195 and MF 196 carrying State Route 43 over the Dunlap Creek in Luzerne Township, Fayette County, as the Fayette Expressway Completion Organization (FAECO) Bridges; and designating State Bridge No. 53-0054-0290-0143 carrying S.R. 54 in Mahanoy Township, Schuylkill County, over the Reading and Northern Railroad, as the Cornelius McElhenny Memorial Bridge.

On the question,  
Will the Senate agree to the bill on second consideration?  
Senator ARGALL offered the following amendment No. A8355:

Amend Bill, page 1, line 2, by striking out "AND"  
Amend Bill, page 1, line 6, by striking out the period after "BRIDGES" and inserting:  
; and designating State Bridge No. 53-0054-0290-0143 carrying S.R. 54 in Mahanoy Township, Schuylkill County, over the Reading and Northern Railroad, as the Cornelius McElhenny Memorial Bridge.  
Amend Bill, page 3, by inserting between lines 10 and 11:  
Section 3. Cornelius McElhenny Memorial Bridge.

(a) Findings and declarations.--The General Assembly finds and declares as follows:

(1) For many years, the bridge carrying S.R. 54 over the Read-



ing and Northern Railroad in Mahanoy Township, Schuylkill County, Department of Transportation No. 53-0054-0290-0143, has been known as the Cornelius McElhenny Bridge.

(2) It was named for Cornelius McElhenny, a resident of Mahanoy Township and a lifelong public servant.

(3) Cornelius McElhenny was born June 13, 1900, and died February 11, 1971.

(4) He worked in the Morea colliery and served as president of the local chapter of the United Mine Workers of America from 1930 until 1943.

(5) Throughout his life, he also held positions as supervisor for Mahanoy Township, president of the Mahanoy Township Water Authority, member of the Schuylkill County Executive Board, member of the Mahanoy Township School Board, member of the Mahanoy Area School Board and director of the Morea-New Boston Breaker Corporation. He was also active in St. Canicus Roman Catholic Church of Mahanoy City.

(6) Cornelius McElhenny dedicated his life to his community, and it is fitting that the bridge be officially and permanently designated in his honor.

(b) Designation.--The bridge, known as State Bridge No. 53-0054-0290-0143, carrying S.R. 54 in Mahanoy Township, Schuylkill County, over the Reading and Northern Railroad, is hereby designated as the Cornelius McElhenny Memorial Bridge.

(c) Signs.--The Department of Transportation shall erect and maintain appropriate signs displaying the name of the bridge to traffic in both directions on the bridge.

Amend Bill, page 3, line 11, by striking out "3" and inserting:

4

Amend Bill, page 3, line 13, by striking out "SECTION 1" and inserting:

Sections 1 and 3

On the question,  
Will the Senate agree to the amendment?  
It was agreed to.

On the question,  
Will the Senate agree to the bill on second consideration, as amended?

Senator KASUNIC offered the following amendment No. A8270:

Amend Bill, page 1, lines 5 and 6, by striking out "FAYETTE COUNTY EXPRESSWAY ORGANIZATION (FAYCO) BRIDGES" and inserting:

Fayette Expressway Completion Organization (FAECO) Bridges

Amend Bill, page 2, line 23, by striking out "FAYETTE COUNTY EXPRESSWAY ORGANIZATION (FAYCO)" and inserting:

Fayette Expressway Completion Organization (FAECO)

Amend Bill, page 2, lines 27 and 28, by striking out "Fayette County Expressway Organization, known as FAYCO" and inserting:

Fayette Expressway Completion Organization, known as FAECO

Amend Bill, page 3, lines 6 and 7, by striking out "Fayette County" in line 6 and all of line 7 and inserting:

Fayette Expressway Completion Organization (FAECO) Bridges.

Amend Bill, page 3, line 9, by striking out "BRIDGE" and inserting:

bridges

On the question,  
Will the Senate agree to the amendment?  
It was agreed to.

And the question recurring,  
Will the Senate agree to the bill on second consideration, as amended?

It was agreed to.

Ordered, To be printed on the Calendar for third consideration.

## BILL AMENDED

**HB 2107 (Pr. No. 3832)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Titles 18 (Crimes and Offenses) and 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in definition of sexual offenses, providing for unlawful dissemination of intimate image; and, in particular rights and immunities, providing for damages in actions for unlawful dissemination of intimate image.

On the question,  
Will the Senate agree to the bill on second consideration?  
Senator PILEGGI offered the following amendment No. A8276:

Amend Bill, page 3, by inserting between lines 17 and 18:  
"Minor." An individual under 18 years of age.

On the question,  
Will the Senate agree to the amendment?  
It was agreed to.  
Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

## BILLS OVER IN ORDER

**HB 2111, HB 2202 and HB 2275** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

## THIRD CONSIDERATION CALENDAR RESUMED

### HB 118 CALLED UP

**HB 118 (Pr. No. 242)** -- Without objection, the bill, which previously went over in its order temporarily, was called up, from page 1 of the Third Consideration Calendar, by Senator PILEGGI.

## BILL AMENDED

**HB 118 (Pr. No. 242)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 12, 1986 (P.L.1559, No.169), known as the Whistleblower Law, further providing for the definitions of "appropriate authority," "employee," "employer" and "good faith report," for protection of employees, for enforcement and for penalties.

On the question,  
Will the Senate agree to the bill on third consideration?  
Senator BAKER offered the following amendment No. A8084:

Amend Bill, page 3, line 11, by inserting after "employer":  
as defined in this act

On the question,  
Will the Senate agree to the amendment?  
It was agreed to.

On the question,

Will the Senate agree to the bill on third consideration, as amended?

Senator BAKER offered the following amendment No. A8241:

Amend Bill, page 1, line 8, by striking out ""employee" and "employer,"" and inserting:

"employee," "employer" and "good faith report"

Amend Bill, page 1, lines 12 through 15, by striking out all of said lines and inserting:

Section 1. The definitions of "appropriate authority," "employee," "EMPLOYER" and "good faith report" in section 2 of the act of December 12, 1986 (P.L.1559, No.169), known as the Whistleblower Law, are amended to read:

Amend Bill, page 2, by inserting between lines 27 and 28:

"Good faith report." A report of conduct defined in this act as wrongdoing or waste which is made without malice or consideration of personal benefit and which the person making the report has reasonable cause to believe is true. An employer is not barred from taking disciplinary action against the employee who completed the report if the employee's report was submitted in bad faith.

On the question,

Will the Senate agree to the amendment?

It was agreed to.

And the question recurring,

Will the Senate agree to the bill on third consideration, as amended?

Senator BROWNE offered the following amendment No. A8243:

Amend Bill, page 2, line 22, by inserting after "services":  
relative to the performance of work for or the provision of services to a public body

On the question,

Will the Senate agree to the amendment?

It was agreed to.

And the question recurring,

Will the Senate agree to the bill on third consideration, as amended?

It was agreed to.

Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

### SB 324 CALLED UP

**SB 324 (Pr. No. 2110)** -- Without objection, the bill, which previously went over in its order temporarily, was called up, from page 1 of the Third Consideration Calendar, by Senator PILEGGI.

### BILL AMENDED

**SB 324 (Pr. No. 2110)** -- The Senate proceeded to consideration of the bill, entitled:

A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, reducing the size of the General Assembly.

On the question,

Will the Senate agree to the bill on third consideration?

Senator SMUCKER offered the following amendment No. A8382:

Amend Bill, page 1, line 4, by inserting after "FUNCTIONS;":  
and

Amend Bill, page 1, lines 5 and 6, by striking out "; and reducing the size of the Supreme Court and the Superior Court"

Amend Bill, page 6, line 11, by striking out "and distinct amendments" and inserting:

amendment

Amend Bill, page 6, line 12, by striking out "are" and inserting:  
is

Amend Bill, page 6, line 13, by striking out "(1)"

Amend Bill, page 6, lines 23 through 30; page 7, lines 1 through 9, by striking out all of said lines on said pages

Amend Bill, page 8, line 9, by striking out "approval" and inserting:  
ratification

Amend Bill, page 8, lines 15 through 30; page 9, lines 1 through 12, by striking out all of said lines on said pages and inserting:

Section 4. (a) Upon the first passage by the General Assembly of the proposed constitutional amendment under section 2, the Secretary of the Commonwealth shall proceed immediately to comply with the advertising requirements of section 1 of Article XI of the Constitution of Pennsylvania and shall transmit the required advertisements to two newspapers in every county in which such newspapers are published in sufficient time after passage of the proposed constitutional amendment under section 2.

(b) Upon the second passage by the General Assembly of the proposed constitutional amendment under section 2, the Secretary of the Commonwealth shall proceed immediately to comply with the advertising requirements of section 1 of Article XI of the Constitution of Pennsylvania and shall transmit the required advertisements to two newspapers in every county in which such newspapers are published in sufficient time after passage of the proposed constitutional amendment under section 2. The Secretary of the Commonwealth shall submit the proposed constitutional amendment under section 2 as a separate ballot question to the qualified electors of this Commonwealth at the first primary, general or municipal election which meets the requirements of and is in conformance with section 1 of Article XI of the Constitution of Pennsylvania and which occurs at least three months after the proposed constitutional amendment is passed by the General Assembly.

Amend Bill, page 9, line 15, by striking out "article ii" and inserting:

Article II

Amend Bill, page 9, lines 19 through 30; page 10, lines 1 through 3, by striking out all of said lines on said pages

On the question,

Will the Senate agree to the amendment?

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, very briefly, as I understand the amendment to Senate Bill No. 324, this removes the language that was inserted to this process relative to the Supreme Court members as well as Superior Court members. That is my understanding. However, it does preserve the language that would remove or eliminate the position of Lieutenant Governor. Mr. President, it is my understanding that Members on this side of the aisle will present amendments later today, one specifically that would address that issue as well. But, given that this may be the amendment that we have to deal with relative to the courts, I personally will be supporting the amendment because of the changes eliminating the language for the courts. I reserve the opportunity to talk a little bit about the role that the Lieutenant

Governor plays and how important it is to this Commonwealth, and I believe that amendment will be offered by my colleague, Senator Smith.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Cambria, Senator Wozniak.

Senator WOZNIAK. Mr. President, is the maker of the amendment available for quick interrogation?

The PRESIDENT. The gentleman consents to stand for interrogation.

Senator WOZNIAK. Mr. President, as I understand what we are doing here, in the Committee on Appropriations, we reduced the number of Superior, Commonwealth, and Supreme Court judges as well as eliminated the Lieutenant Governor. What your amendment does is maintain the Supreme Court, the Commonwealth Court, and the Superior Court but eliminates or takes back the date of when the Lieutenant Governor is eliminated. Is that accurate? Or, just Superior and Supreme Court judges?

Senator SMUCKER. Mr. President, the amendment simply removes the reduction in the underlying bill to the two courts. It does not impact the Lieutenant Governor.

Senator WOZNIAK. Okay, Mr. President. I am going to be opposing this amendment. There has been a lot of political pressure over the past decades on the General Assembly and the Senate: do more with less, reduce the size of the legislature, and all of the problems of society will go away. Well, I also think we have three co-equal branches, I think perhaps the executive branch might be a little too large and maybe one less Lieutenant Governor. There is no question that I do think our judicial branch has--which I think the Fourth Estate has pretty much ignored over the years their influence or the ability to dodge the bullets that we get every day, and I think reducing the size of the Supreme Court and Superior Court is not going to cause any dysfunction in our system. So, I am going to oppose this amendment and ask the others, let us reduce three co-equal branches of legislation, if that is what the citizens of Pennsylvania want. Thank you.

And the question recurring,  
Will the Senate agree to the amendment?

The yeas and nays were required by Senator SMUCKER and were as follows, viz:

#### YEA-40

Alloway	Erickson	Mensch	Teplitz
Argall	Farnese	Pileggi	Tomlinson
Baker	Folmer	Rafferty	Vance
Blake	Fontana	Scarnati	Vogel
Brewster	Gordner	Schwank	Wagner
Browne	Greenleaf	Smith	Washington
Corman	Hughes	Smucker	Wiley
Costa	Kasunic	Solobay	Williams
Dinniman	Kitchen	Stack	Yaw
Eichelberger	Leach	Tartaglione	Yudichak

#### NAY-10

Boscola	Hutchinson	Vulakovich	White
Brubaker	McIlhinney	Ward	Wozniak
Ferlo	Robbins		

A majority of the Senators having voted "aye," the question was determined in the affirmative.

On the question,

Will the Senate agree to the bill on third consideration, as amended?

Senator SMITH offered the following amendment No. A7570:

Amend Bill, page 1, line 1, by striking out "integrated amendments and"

Amend Bill, page 1, lines 3 and 4, by striking out "abolishing the Office of Lieutenant Governor AND REORGANIZING EXECUTIVE FUNCTIONS;"

Amend Bill, page 1, lines 9 through 17; pages 2 through 5, lines 1 through 30; page 6, lines 1 through 10, by striking out all of said lines on said pages

Amend Bill, page 6, line 11, by striking out "2" and inserting:

1

Amend Bill, page 7, lines 10 through 30; page 8, lines 1 through 14, by striking out all of said lines on said pages

Amend Bill, page 8, line 15, by striking out "4" and inserting:

2

Amend Bill, page 8, line 17, by striking out "2" and inserting:

1

Amend Bill, page 8, line 24, by striking out "2" and inserting:

1

Amend Bill, page 8, line 27, by striking out "2" and inserting:

1

Amend Bill, page 9, line 3, by striking out "2" and inserting:

1

Amend Bill, page 9, line 5, by striking out "2" and inserting:

1

Amend Bill, page 9, line 13, by striking out "5" and inserting:

3

Amend Bill, page 9, line 19, by striking out "6" and inserting:

4

Amend Bill, page 9, line 28, by striking out "7" and inserting:

5

On the question,

Will the Senate agree to the amendment?

#### LEGISLATIVE LEAVE

Senator SMITH. Mr. President, I request a temporary Capitol leave for Senator Tartaglione.

The PRESIDENT. Senator Smith requests a temporary Capitol leave for Senator Tartaglione. Without objection, the leave will be granted.

And the question recurring,

Will the Senate agree to the amendment?

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Smith.

Senator SMITH. Mr. President, amendment No. A7570 simply removes language from the underlying bill, Senate Bill No. 324, eliminating the office of the Lieutenant Governor. I certainly appreciate the gentleman's efforts, my good friend from Beaver County, with Senate Bill No. 324, but I introduce this amendment for three reasons. Number one, I believe the office of Lieutenant Governor serves an integral role in the orderly constitutional delegation of power in the unfortunate event that any Governor is incapacitated or dies in office.

Number two, Mr. President, the cost of a special election in the event that it would be triggered in the orderly process of a Lieutenant Governor assuming the role of Governor is not present, has been estimated in a 2011 report compiled by our own Pennsylvania Commissioner of Elections at an estimated cost of \$20 million. This would be a burden not just on the Commonwealth but also on the counties, who must first incur the costs of holding such an election before being reimbursed by the Commonwealth. Just to give you a frame of reference, Mr. President, the cost for Allegheny County before reimbursement would be \$2.6 million. The cost for Washington County would be approximately \$350,000. The cost for Philadelphia County would be approximately \$4.6 million, and the cost for Montgomery County would be approximately \$900,000.

My third reason for introducing this amendment, Mr. President, is that there are many, many questions regarding the special election process that this legislation does not answer, including how that special election would be called; when the special election would occur; whether the President pro tempore would have to resign his seat in the Senate to take over as Governor; whether the President pro tempore as the Acting Governor would be allowed to vote in our Senate deliberations; whether the President pro tempore would be prohibited from running for Governor while serving in the acting capacity; and lastly, who would select the candidates for Governor in the special election? I have great concern that there would be the need for an additional primary special election and then the general special election that I alluded to earlier, which would cost around \$20 million, thus greatly increasing the costs. I certainly appreciate, as I said, the gentleman's efforts with the underlying bill, and I think it is important to note that it is over many years and many hearings that the underlying nature of this bill downsizing the Senate and/or the House has been vetted, there has been stakeholder input, whereas the issue of whether to eliminate the office of Lieutenant Governor has received very little public vetting.

So for that reason, Mr. President, I introduce this amendment to eliminate the language in the current bill eliminating the office of Lieutenant Governor and I ask my colleagues for their support.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Jefferson, Senator Scarnati.

The PRESIDENT pro tempore. Mr. President, I rise in opposition to the gentleman's amendment, and I ask what are we afraid of? What are we worried about? Do we not want to give the voters of Pennsylvania the opportunity to make real change in State government? There are three branches of State government. We just decided a few minutes ago we are not going to affect the judicial branch. Okay. Now we have an amendment in front of us that we are not going to affect the executive branch.

Well, let me tell you something. Other than the gentleman presiding, I think I am the only one in the room who has served as Lieutenant Governor, and I served both as Lieutenant Governor and as President pro tempore. The desk was run, the rostrum was run, the State house was kept clean, the Board of Pardons was done in a very expeditious way, staffs were reduced, and State government moved on.

This amendment is not about the President pro tempore becoming Governor. I do not know who it is going to be, but who wants to be Governor when you can be President pro tempore?

Ask yourself that question. This question is really about giving voters a chance to have their say. That is all it is about. Let us give people the chance to say, we believe we need a Lieutenant Governor or we do not. I do not know what the fear is.

I think, with all due respect to our Lieutenant Governor here today, he has done a fantastic job. I admire him and I respect him, but this is not about him. This is not about anybody running for Lieutenant Governor. This is about reducing the size of government. That is what it is about. Do we need a house for a Governor and Lieutenant Governor? Do we need staffs? Do we need all of this? I can guarantee anybody in this room today that if Joe Scarnati drops over dead tomorrow, there will be a President pro tempore and the gavel will hit on the floor of the Senate. State government continues on. It will continue on with less judges, it will continue on with less executive government, and it will continue on with less of us. Let us not be afraid. Let us be reformers. Let us really reform State government. Let us take that risk because there is not much risk in it. Our voters care about these things, and I urge a "no" vote on this amendment.

Thank you, Mr. President.

The PRESIDENT. The Chair thanks the gentleman, I think.

The Chair recognizes the gentleman from Philadelphia, Senator Williams.

Senator WILLIAMS. Mr. President, I think that we should take the gentleman at his word. Let us listen to the voters. The voters spoke. Constituents spoke. They did this process. We created the Lieutenant Governor's office. We followed that process. That is how we ended up with the Lieutenant Governor. So, let us take him at his word. Let us listen to the voters: they created it. With all due respect, if we really want to reform government, let us take on the challenge of the entire body. In the same activity today, we are preserving the rights of the court system, which many people mumble under their breath is too large, too cumbersome, overstaffed, and out of control. So, if we are going to be genuine and not theatrical, then let us stand with credibility and reform the whole process - Senate, House, courts, everyone. Let us put all the chips in the middle of the table and have a direct conversation. But let us not suggest, with all due respect, that the function of the Lieutenant Governor is simply to sit here and hit a gavel. The last time I checked the public record and his extensive travel, his ability to represent us in the Commonwealth and beyond, and the charges of Lieutenant Governor have grown significantly beyond when we first created it. While the gentleman certainly admirably tried to juggle his schedule with his district, the leadership, and Lieutenant Governor's Office, there is no doubt that there were failings and shortcomings at certain times because he just could not split himself individually. There is a reason for the Lieutenant Governor. It is called checks and balances. It is called protection. It is not just an add-on. There is substance to it. But most importantly, I think the voters were right the first time.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Ferlo.

Senator FERLO. Mr. President, I rise to support my colleague, Senator Smith, in his well-thought-out amendment to this legislation which would continue to elect, appropriately, a Lieutenant Governor of our great Commonwealth. When I first got here 12 years ago, one of the first pieces of legislation I introduced, and repeatedly introduced, was the need for the people to

come together in the form of a constitutional convention. If you want to talk about true democracy and the will of the people, I think given what has transpired over the last 12 years that I have been here, I would say that the true way to do that is to actually convene a constitutional convention. It has been close to 50 years now since we had the 1968 convention. We had the debacle of the pay raise quite a few years ago, and other substantive questions and challenges that the legislature has had, challenges that many in the voting public have frowned on or have raised an eyebrow with significantly. So, I think if we truly want to talk about democracy, I think we should turn our attention to some appropriate measure on our part to convene a constitutional convention.

That is not the issue before us today and that is not the amendment, but I do think the amendment is keeping with the consistency of the leadership of the House of Representatives. The House of Representatives has already taken the leadership and voted on a significant reduction of their ranks. I think it is incumbent upon us within that existing framework of leadership to solely consider the issue of the reduction of Members of the Senate. The proposal in the end, if this amendment is approved, is to single out that particular equity with the House and reduce the number of elected Senators to 45, if I am understanding this correctly. It will not go way afar and way afoot and deal with matters of the Lieutenant Governor. We have already resoundingly made pretty much clear that we thought it was ill-advised to reduce the judiciary at the Supreme Court and Superior Court level, which I also support. I did not vote for it because I did not like the Lieutenant Governor aspect, but I think it is very critical that we maintain the Supreme Court because there really has been no public dialogue or discussion. There have been many learned scholars, many attorneys, members of the judiciary, I think that if and when that question comes up, there should be a process for them weighing in. The trial lawyers and a lot of other people need to weigh in, such as the League of Women Voters.

So, this is a nice clean approach. In supporting Senator Smith's amendment, we basically mirror the action of the House in the reduction of numbers, we maintain and keep whole the high levels of the judiciary, Supreme and Superior Court, and we maintain the Lieutenant Governor, which I would strongly argue is a second-in-command individual. They have separate and distinct duties. I am very proud of every Lieutenant Governor I can think of, at least in my tenure, which goes back about 40 years. They have shown leadership, they have risen to the occasion, both Democratic and Republican alike. They have taken on specific duties from veterans affairs to emergency management to the Board of Pardons. They have a whole gamut of responsibilities separate and distinct from what would be a very busy Governor, no matter who has the job. If I remember correctly, I do not think the budget for Lieutenant Governor is more than \$1.7 million or \$1.5 million at this point.

So come on, folks, what are we talking about here? Let us not play games. If you want to have democracy, let us reconvene a constitutional convention. If not, let us sincerely move the opportunity that we have to match the leadership in the House, reduce the numbers in the legislature with a proposal for a constitutional discussion and a vote of the people. Let us mirror that with specific leadership here in the Senate to reduce our numbers to 45.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Smith.

Senator SMITH. Mr. President, briefly, I certainly appreciate my friend from Jefferson County's remarks, and just a quick point in response. I think it is important to note that you could, if this language in the underlying bill is left to stay with the elimination of the office of Lieutenant Governor, be looking at some point the very likely scenario if the President pro tempore assumes the position of Governor, that position would be indefinite. Again, there is no trigger point in this legislation right now whereby a special election would be called. I believe as Senator Ferlo said, the electoral process is an important component of our system. And the Lieutenant Governor, whoever it may be, is elected on two occasions, if they should assume that office. They are elected in the primary process, and then they are elected in the general election process. Whereby all of us, each State Senator is elected by our districts of approximately 250,000 people, as opposed to the Lieutenant Governor running in two elections statewide elected by 12 million Pennsylvanians. I think that is an important point to note as we consider this amendment. Certainly, again, I respectfully ask my colleagues for their support.

Thank you, Mr. President.

And the question recurring,

Will the Senate agree to the amendment?

The yeas and nays were required by Senator SMITH and were as follows, viz:

#### YEA-29

Argall	Ferlo	Schwank	Washington
Blake	Fontana	Smith	Wiley
Boscola	Gordner	Smucker	Williams
Brewster	Greenleaf	Solobay	Wozniak
Costa	Hughes	Stack	Yudichak
Dinniman	Kasunic	Tartaglione	
Erickson	Kitchen	Teplitz	
Farnese	Leach	Vulakovich	

#### NAY-21

Alloway	Folmer	Robbins	Ward
Baker	Hutchinson	Scarnati	White
Browne	McIlhinney	Tomlinson	Yaw
Brubaker	Mensch	Vance	
Corman	Pileggi	Vogel	
Eichelberger	Rafferty	Wagner	

A majority of the Senators having voted "aye," the question was determined in the affirmative.

Without objection, the bill, as amended, was passed over in its order at the request of Senator PILEGGI.

#### RECESS

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a recess of the Senate for the purpose of a meeting of the Committee on Appropriations to be held in the Rules room immediately.

The PRESIDENT. For the purpose of a meeting of the Committee on Appropriations, without objection, the Senate stands in recess.



**AFTER RECESS**

**The PRESIDING OFFICER (Senator John C. Rafferty, Jr.) in the Chair.**

The PRESIDING OFFICER. The time of recess having expired, the Senate will come to order.

**UNFINISHED BUSINESS  
BILLS REPORTED FROM COMMITTEE**

Senator CORMAN, from the Committee on Appropriations, reported the following bills:

**SB 819 (Pr. No. 2156) (Rereported)**

An Act amending the act of September 27, 1961 (P.L.1700, No.699), known as the Pharmacy Act, further providing for the authority to administer injectable medications, biologicals and immunizations.

**SB 1188 (Pr. No. 2216) (Amended) (Rereported)**

An Act amending the act of December 17, 1981 (P.L.435, No.135), known as the Race Horse Industry Reform Act, further providing for definitions; repealing provisions related to the State Horse Racing Commission and State Harness Racing Commission; and providing for racing oversight, for pari-mutuel wagering licensing and for advance deposit wagering; further providing for mandatory requirements for medication rules, for establishment of Pennsylvania Race Horse Testing Program, for costs for enforcement of medication rules; and providing for the cessation of the State Horse Racing Commission and the State Harness Racing Commission.

**HB 272 (Pr. No. 3542) (Rereported)**

An Act amending the act of May 1, 1933 (P.L.216, No.76), known as The Dental Law, further providing for definitions, for general powers of the State Board of Dentistry, for reason for refusal, revocation or suspension of license or certificate, for penalties and for reporting of multiple licensure or certification; and providing for restricted faculty license.

**HB 2280 (Pr. No. 3595)**

An Act making appropriations from the Professional Licensure Augmentation Account and from restricted revenue accounts within the General Fund to the Department of State for use by the Bureau of Professional and Occupational Affairs in support of the professional licensure boards assigned thereto.

**HB 2281 (Pr. No. 3596)**

An Act making appropriations from the Workmen's Compensation Administration Fund to the Department of Labor and Industry and the Department of Community and Economic Development to provide for the expenses of administering the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Office of Small Business Advocate for the fiscal year July 1, 2014, to June 30, 2015, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014.

**HB 2282 (Pr. No. 3597)**

An Act making an appropriation from a restricted revenue account within the General Fund to the Office of Small Business Advocate in the Department of Community and Economic Development.

**HB 2283 (Pr. No. 3598)**

An Act making an appropriation from a restricted revenue account within the General Fund to the Office of Consumer Advocate in the Office of Attorney General.

**HB 2284 (Pr. No. 3599)**

An Act making an appropriation from the Public School Employees' Retirement Fund to provide for expenses of the Public School Employees' Retirement Board for the fiscal year July 1, 2014, to June 30, 2015, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014.

**HB 2285 (Pr. No. 3600)**

An Act making an appropriation from the State Employees' Retirement Fund to provide for expenses of the State Employees' Retirement Board for the fiscal year July 1, 2014, to June 30, 2015, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014.

**HB 2286 (Pr. No. 3601)**

An Act making appropriations from the Philadelphia Taxicab and Limousine Regulatory Fund and the Philadelphia Taxicab Medallion Fund to the Philadelphia Parking Authority for fiscal year July 1, 2014, to June 30, 2015.

**HB 2287 (Pr. No. 3618)**

An Act making appropriations from a restricted revenue account within the General Fund and from Federal augmentation funds to the Pennsylvania Public Utility Commission for the fiscal year July 1, 2014, to June 30, 2015.

**HB 2288 (Pr. No. 3681)**

An Act making appropriations from the restricted revenue accounts within the State Gaming Fund and from the State Gaming Fund to the Pennsylvania Gaming Control Board, the Department of Revenue, the Pennsylvania State Police and the Attorney General for the fiscal year beginning July 1, 2014, to June 30, 2015, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014.

**HB 2328 (Pr. No. 3836)**

An Act to provide from the General Fund for the expenses of the Executive and Judicial Departments, the State Government Support Agencies and the General Assembly of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2014, to June 30, 2015, for certain institutions and organizations, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014; to provide appropriations from the State Lottery Fund, the Tobacco Settlement Fund, the Aviation Restricted Account, the Hazardous Material Response Fund, The State Stores Fund, the Milk Marketing Fund, the Home Investment Trust Fund, the Emergency Medical Services Operating Fund, the Tuition Account Guaranteed Savings Program Fund, the Banking Fund, the Firearm Records Check Fund, the Ben Franklin Technology Development Authority Fund, the Oil and Gas Lease Fund, the Home Improvement Account, the Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund, the Insurance Regulation and Oversight Fund and the Pennsylvania Racehorse Development Restricted Receipt Account, to the Executive Department; to provide appropriations from the Judicial Computer System Augmentation Account to the Judicial Department for the fiscal year July 1, 2014, to June 30, 2015; to provide appropriations from the Motor License Fund for the fiscal year July 1, 2014, to June 30, 2015, for the proper operation of several departments of the Commonwealth and the Pennsylvania State Police authorized to spend Motor License Fund moneys; to provide for the appropriation of Federal funds to the Execu-

tive Department of the Commonwealth and for the payment of bills remaining unpaid at the close of the fiscal year ending June 30, 2014; and to provide for the additional appropriation of Federal and State funds from the General Fund for the Executive Department of the Commonwealth for the fiscal year July 1, 2013, to June 30, 2014, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2014.

### CONGRATULATORY RESOLUTIONS

The PRESIDING OFFICER laid before the Senate the following resolutions, which were read, considered, and adopted by voice vote:

Congratulations of the Senate were extended to Dorothy L. Blase by Senator Baker.

Congratulations of the Senate were extended to citizens of the Borough of Delaware Water Gap by Senator Boscola.

Congratulations of the Senate were extended to Jessie K. Ruffini and to Ruth Hamm by Senator Pileggi.

Congratulations of the Senate were extended to Mr. and Mrs. Christian Gaston and to Mr. and Mrs. David Beer by Senator Scarnati.

Congratulations of the Senate were extended to the Honorable Anthony Court by Senator Vogel.

Congratulations of the Senate were extended to Ronald J. Sheehan, David Zurn, Charles W. Getz and to Craig A. Zurn by Senator Yudichak.

### CONDOLENCE RESOLUTION

The PRESIDING OFFICER laid before the Senate the following resolution, which was read, considered, and adopted by voice vote:

Condolences of the Senate were extended to the family of the late Elsie W. Swenson by Senator Teplitz.

### BILLS ON FIRST CONSIDERATION

Senator SMITH. Mr. President, I move that the Senate do now proceed to consideration of all bills reported from committees for the first time at today's Session.

The motion was agreed to by voice vote.

The bills were as follows:

**SB 671, SB 1034, HB 827, HB 1163, HB 1750, HB 2178, HB 2199, HB 2280, HB 2281, HB 2282, HB 2283, HB 2284, HB 2285, HB 2286, HB 2287, HB 2288 and HB 2328.**

And said bills having been considered for the first time,

Ordered, To be printed on the Calendar for second consideration.

### ANNOUNCEMENTS BY THE SECRETARY

The following announcements were read by the Secretary of the Senate:

#### SENATE OF PENNSYLVANIA

#### COMMITTEE MEETINGS

**FRIDAY, JUNE 27, 2014**

9:00 A.M.	ENVIRONMENTAL RESOURCES AND ENERGY (public hearing on the energy effects of EPA's Clean Power Plan)	Hrg. Rm. 1 North Off.
-----------	---	--------------------------

9:30 A.M.	EDUCATION (to consider Senate Bills No. 1440 and 1450; Senate Resolution No. 414; and House Bill No. 1718)	Room 8E-B East Wing
10:00 A.M.	URBAN AFFAIRS AND HOUSING (to consider Senate Bills No. 1420, 1427 and 1442)	Room 8E-A East Wing
10:30 A.M.	STATE GOVERNMENT (to consider House Bill No. 1236)	Room 8E-B East Wing
Off the Floor	APPROPRIATIONS (to consider Senate Bills No. 901, 902, 903 and 922; and House Bills No. 927, 1772, 2334, 2335, 2336, 2337 and 2338)	Rules Cmte. Conf. Rm.
Off the Floor	LAW AND JUSTICE (to consider Senate Bill No. 1182)	Rules Cmte. Conf. Rm.
Off the Floor	LOCAL GOVERNMENT (to consider Senate Bill No. 1111; and House Bill No. 1590)	Rules Cmte. Conf. Rm.

### PETITIONS AND REMONSTRANCES

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Stack.

Senator STACK. Mr. President, I rise to share a few words on an observation about the state of the State. I actually read an editorial in the Philadelphia Daily News today, and I do not base all of my floor remarks or decisions on editorials I read in the Philadelphia Daily News, but this one I found particularly interesting. It talked about Pennsylvania having a new nickname and being known now maybe as Pennsylvatlucky. I found that a little bit insulting, and as I further read the editorial, some of the facts in that editorial are just that, they are facts. And sometimes it is a sad fact to hear your own State talked about in such a light. But if we look at the situation here in Pennsylvania with our revenue shortfalls and the amount of the State deficit, probably the realistic number is about \$1.5 billion, and we have not collected revenue that has been out there in our forecasts in the hundreds of millions. So, we either have an inefficiency in Pennsylvania or an intentional unwillingness to collect taxes that are already owed and we are currently talking about raising more taxes, but government is just not working.

If you talk about the vision for Pennsylvania, Governor Corbett came to office where he said he had a vision and a plan to make Pennsylvania a leader. A lot of his vision had to do with making what he called very tough cuts in the budget. Among them, and we have talked about them a lot, what I thought was really misguided were cuts to public education and higher education. But at the end of the day, the Governor said that if folks trusted him and stayed the course, they would see that Pennsylvania's economic picture would change, that we would pick up steam and we would become the leader that we should be. In fact, Mr. President, just the opposite has happened. Pennsylvania's gross domestic product has been rated at about 0.7, which is one of the slowest in America. And that is with all of the reforms and changes that Governor Corbett thought we should undertake.

One of our neighboring States is West Virginia. Who would have thought that we would talk about West Virginia having a job growth situation and a gross domestic product at literally almost six times what ours is in Pennsylvania? So, West Virginia's economy is significantly stronger than Pennsylvania's, and

that is in light of all of the different resources and advantages that I think we have here in Pennsylvania. We have only three States that are worse than us, and that is a huge and unhappy story that we have to tell Pennsylvanians. The most amazing part of it, too, Mr. President, is that is in light of what should be considered a modern-day gold rush going on in Pennsylvania. We have one of the largest natural gas discoveries in Pennsylvania. Pennsylvania could be a global leader in this area and still find a way to fund schools at a great level, not the way we are doing it now, which is we are failing and we are failing to give our kids a chance. West Virginia has had a severance tax. They also are a natural gas State and last year, they derived an additional \$800 million in State revenue from an extraction tax. Once again, they are doing much better than us in job growth, they are doing much better than us in general economic potential, and I think we should exercise the opportunity to have an extraction tax and one that funds our education system, balances our budget, and sets us in the right direction not just for this year, but for years to come, for a positive future in Pennsylvania.

Another big issue, and I have talked about this a lot, and Senator Hughes and others have, we left an opportunity on the table to expand Medicaid. The Robert Wood Johnson Foundation, which a lot of people really respect, recently released a study and it found that States and municipalities that took advantage of Medicaid expansion derived a lot more revenue and turned around their economies. One of the things it revealed is that just in Philadelphia alone, we left \$8 billion on the table by not taking advantage of expanding Medicaid. These dollars are things that can change the way that this State runs for decades. So, I think it is ludicrous, it is misguided, it is plain wrong that we have not taken advantage of expanding Medicaid, and instead, what we have done is failed to collect taxes in revenue that has been owed, gutted education, and went further and further into the bottom in job growth and economic development. So, I think clearly, we have to turn things around.

Jeff Foxworthy, the guy who talks about being a redneck in his stand-up comedy act, if you are one of the lower States in funding public education, he always says you are Kentucky. Well, you are Pennsylvucky. If you are low in job creation, you are Pennsylvucky. If we are not doing anything to turn things around and get this State on top again, we are Pennsylvucky. We have to change that. We do not want to be Pennsylvucky, we want to be Pennsylvania. We want to be a leader. Let us work on that.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Washington.

Senator WASHINGTON. Mr. President, I rise today to discuss something that often goes overlooked in our budget priorities - support for the care of the intellectually and developmentally disabled. Folks with intellectual and developmental disabilities suffer from conditions with their speech, physical and emotional development, and are limited by a number of causes. These conditions affect Pennsylvanians of all ages. While many can find work and live somewhat normal lives, the sad fact is that so many require intensive home or facility-based care to help them cope with their day-to-day activities.

Mr. President, the folks who provide this care work tirelessly to insure a higher quality of life for these patients. Too often, however, these selfless workers do not get the professional sup-

port and respect they deserve. In late 2012, the Pennsylvania Policy Committee joined with Senator Wiley to hold hearings in Erie about this very issue. We were very troubled about some of the things we heard in the hearings, and our Caucus has worked for the past 2 years to insure that we are doing everything we can to make the changes this community needs. We were glad to see the proposed budget included more resources for these vital issues. I know we have a lot on our budgetary plate, but we must move forward and we must be mindful of keeping these items in place. We can solve a lot of the backlog issues through a few key investments in our current budget plan, specifically by keeping the approximately \$23 million increase proposed to continue to reduce the wait list for the older Pennsylvanians and individuals with disabilities.

Mr. President, we have an opportunity to help these Pennsylvanians and their caregivers through these key investments. The resources that we allocate can help us take care of the issues we have now and save us money in the long run. We have a long way to go before we can clear out the backlog that we have and we have a real opportunity to help every Pennsylvanian live the best quality of life. Let us preserve these key line items and make sure true strides help all Pennsylvanians in this very important budget.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I rise for a few moments to talk about what transpired a few moments ago in our meeting of the Committee on Appropriations. As part of the process, we reported out a bill, House Bill No. 2328, which is the General Appropriation bill for this upcoming year as it has been discussed up to this point in time. Mr. President, it is a bill that probably does about \$29.1 billion in spending, well below where the Governor has proposed. But what is significant about it, in our view, it is a budget that is unsustainable. It makes assumptions and tries to convince the people of Pennsylvania that nearly \$2 billion in one-time gimmick expenditures is going to help close the gap.

What this does, Mr. President, in reality--and I know there will be discussions on this side of the building we hope to partake in, quite frankly. We have engaged in very good conversations up to this point in time, but until the issue is developed where this particular budget is really the foundation of what we are trying to do, it does not include revenues that we think we need, we believe we need, to help us get home with an appropriate budget that is sustainable for the people of Pennsylvania.

Mr. President, the budget that we believe needs to be put into place is something where the Governor's spend number is and what he recommends. We believe we need to make further investments in education than what this proposal does. We need to make certain that when we look at the balance sheets or when we look at how we fund the programs that are contained within in this budget, we simply look and see a couple of assumptions, quite frankly, that simply do not make any sense. Liquor privatization. We are not getting liquor privatization done on this side of the building, Mr. President, but to assume that \$380 million will come from that is ludicrous and it is unacceptable and inappropriate and is being fiscally irresponsible. To suggest that is going to make its way forward to this General Assembly in the course of the next couple of days or even as we go into next year

and achieve those types of savings, as I said earlier, is simply irresponsible. Special fund transfers are another significant number along those lines which are not sustainable.

The suspension of tax credits. People in this Commonwealth want to do two things: They want us to invest in education. They want to shore up and secure that we have resources available to make investments in education to help educate our kids so we can stop raising property taxes practically in every school district in Pennsylvania and that we can stop growing the class size of all of our kids in our classes across the Commonwealth. We can stop making significant unchecked investments in charter schools across Pennsylvania without providing support to our public schools to offset some of those costs, as we have done before this administration came into office. This administration lacks the vision with respect to education and we have to get back on track. It starts with thoughtful, meaningful, targeted investments in education. That is what Senate Democrats stand for. That is what we are going to advocate for.

That is why we believe we need additional revenue in this process, additional revenue through an extraction tax, a Marcellus Shale extraction tax of 5 percent that takes about \$700 million from the industry. They are going to the bank, quite frankly, on the backs of the people of Pennsylvania, and more importantly, taking the natural resources out of our ground, our natural resources, and then putting the money in their pockets. We need to extract more from that industry. We propose a reasonably balanced approach that provides for an additional 5-percent increase over and above the extraction tax, which is about 1.5 percent. That puts us in the range of 6 or 6.5 percent, which is not that far out of line with other States that do this type of drilling. We take those dollars and we put them into education. We put them into a lockbox. We say we are going to dedicate this funding to education and we can agree upon the amount. But we take \$300 million or \$400 million of that money and put it into an education program which in our view is similar to the accountability block grant, which allows every school district in this Commonwealth to make an informed decision about where they want to drive their education dollars. That is what we should be doing. We know it works because most of the school districts, over 60 percent of them, use those dollars and put them into early learning. And early learning is the best bang we get for our dollars along the lines of education.

This budget and the conversation across this building now is that we are not going to be looking at new revenues. That leaves that money on the table, it allows the industry to continue down the path where they have the ability to do the work that they are doing and in a way that is not balanced. We recognize there is value in terms of the industry and the work that they do here, but it is out of balance, Mr. President. That is what we are trying to achieve, the appropriate balance that allows for the revenue to come in, it allows for the investment in dollars of education, but also in terms of the environment to make certain that we are in a position to protect our environment and to provide resources to allow the folks who know best what needs to be done relative to regulations, and what needs to be done with respect to enforcement of this industry.

We have the resources to put the people in place to do that type of work, and that is another part of what we want to do with respect to the extraction tax. But again, as I stated, it sounds as if that issue is off that table, and that is disappointing to us. We

also believe that we have to take a look at these tax credits, as I mentioned. The second thing that people want us to do in addition to education, making solid, appropriate, sustainable investments in education, relates to growing jobs. How do you grow jobs in this Commonwealth? You grow them by having programs that allow people to do that, that are sustainable programs that allow for economic development and economic growth to grow jobs.

One of the main areas is along the line of tax credits that are provided across the Commonwealth. The budget that was just passed out of committee and came over from the House and looks to be the foundation of what is going forward eliminates those tax credits except for a couple, and one is the cracker facility tax credit. Another one is the film tax credit, as well as the EITC. All very, very good tax credit programs, and I supported the cracker tax credit a couple of years back because I think it will grow jobs. That makes sense, but what does not make sense is when you strip out the other tax credits that help grow jobs. They help us in our neighborhoods. I can tell you, I have heard from dozens and dozens of organizations and groups of people who are invested in making certain that programs like the neighborhood assistance program, which will be eliminated under this program, would be harmful to our communities and community revitalization. Those are the types of things that we are disappointed about along those lines.

My colleague, Senator Hughes, is going to talk about the proceeds that we are leaving on the table with respect to Medicaid expansion. How critically important the decision that this administration has made, their lack of vision, their lack of foresight, their lack of understanding that we need to make investments in the Medicaid expansion program as defined by Obamacare, that allows for \$400 million in savings; to make certain that a half-million folks have healthcare coverage, and included within those half-million folks are some 23,000 veterans. We stand up on July 4 and profess how we support the flag and how everything is wonderful, but we do not put up a vote or make a decision relative to Medicaid expansion that covers nearly 24,000 veterans. We have to be sincere and truthful with the people of Pennsylvania. That is what we are not doing.

We are not making investments in education, we are not growing jobs we talked about, we are not growing 35,000 jobs in Pennsylvania because of Medicaid expansion. And what we are going to do is put together a budget that is held together by rubber bands and bubble gum, and that is disappointing, Mr. President. Something as important as a General Fund budget for this Commonwealth and is important to make certain that this time we make the appropriate investments, we are going to do things that are unsustainable, fiscally irresponsible, and as I said earlier, bootstrapped together with bubble gum and rubber bands, and it is disappointing.

We have work to do. We stand ready to join with our colleagues to talk about the sincere effort to try to grow this Commonwealth and make investments that are appropriate to be made, and stand ready to talk about proper investments in terms of putting up support for revenue enhancements along the lines of a Marcellus Shale tax, as I have stated, along the lines of another tobacco product tax. We should not be one of the last States that does not tax cigars and other tobacco products. Those are the types of things that we want to make an investment in, take those resources, invest them in the areas that we talked

about, and grow this Commonwealth and put Pennsylvania on the right track. Every single poll you see demonstrates that we are on the wrong track. We have to change tracks, and it is about time we do it. We start here in this General Assembly over the course of the next week or so, and we believe that the people of Pennsylvania will make that choice as we go forward in November, to work to get us on the right track.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Hughes.

Senator HUGHES. Mr. President, I want to first thank our Leader, Senator Costa, for his comments with respect to characterizing where we are right now in this budget process. This is June 26. We are supposed to finish this process by June 30, but many have said that they are prepared to extend a few days, hopefully just a few days to make sure that we do the right thing and not something that is expedited and, ultimately, bad public policy for the Commonwealth of Pennsylvania.

The frustration that many of us have—and I know that frustration is on both sides of the aisle, Mr. President—lies in a number of programs and options and opportunities that are in front of us that could easily put together, easily in fact, and without any political pain, and in fact, programs and policies that are consistent with where the issues that the people of the Commonwealth are concerned.

One, of course, is as our Leader, and as the previous speaker, Senator Stack, indicated, that there is pretty fair support for this concept across the Commonwealth in all jurisdictions and all counties. It is the issue of taxing the shale industry at an appropriate and respectable rate, a rate consistent with our neighbor West Virginia, a rate consistent with the largest shale producer in the nation, the State of Texas, to secure about three-quarters of a billion dollars to go into our General Fund, and hopefully a significant portion of those dollars to go to our education system. That would help to address the failure of this Governor over the last 4 years to appropriately invest in our education system. It is now time to right the wrong by which our children are impacted most significantly.

The other issue is, and maybe the most glaring one, the one that I think is hugely frustrating and the one, in fact, that this Senate has spoken on, not just rhetoric on the floor of the Senate but also through a vote. In fact, that vote occurred last year at this time, in support of the concept of Medicaid expansion, that the State would adopt a Medicaid expansion program that would take the \$4 billion that is targeted for Pennsylvania by the Federal government, that is in place for Pennsylvania to receive, yes, Pennsylvania is set to receive \$4 billion from the Federal government to implement an expanded healthcare program for at least a half-million people in the Commonwealth who are low-wage working individuals. These are individuals that, I must underscore, by definition are working on a daily basis. They are working 40, 50, 60, 70 hours a week. They are putting in two or three jobs. They are not making tons of money. They are, by definition, low-wage working people, people who are making more than the current Medical Assistance program allows for them to participate in a program, but not making enough money in their salary to purchase private insurance. Medicaid expansion is set and ready to go. Over half of the States in the nation have picked up on this program and are utilizing the Federal dollars targeted for their State to provide health insurance for their folks. Penn-

sylvania has chosen, under this Governor, not to accept Medicaid expansion and not to implement Medicaid expansion. So, 6 months ago we could have started this process, and for the last 6 months these folks have been ignored and not allowed to get health insurance. That is untenable.

Purely from a budget perspective, if we were to implement Medicaid expansion, \$400 million would be saved in current State spending. These are not numbers that I made up. These are numbers that come from at least two different reports, two different analyses, that say that this is the right way, this is the right direction, and in fact, the State would save \$400 million in current State spending. Now, that is a significant amount of money, more pertinent because we have a \$1.5 billion budget deficit, and when you have a \$1.5 billion budget deficit, you need to find—it is not always about revenues, it is not always about taxes, it is about where you can find savings. There it is right there, \$400 million in savings could be secured if we were to choose Medicaid expansion. And it does not require a vote by the Senate or the House. It is a simple form that must be submitted, a one-page form, believe it or not, Mr. President, that could be filled out before, well, it is 7:10 p.m. on Tuesday, June 26. It could be filled out before the 76ers make their draft selection, and they have the number three draft pick, so they will be picking very soon. That form could be completed within a short amount of time, emailed to Washington, D.C., and I believe that by the close of business on Friday, this coming Friday, we get a report, a message back from Washington, D.C., that Pennsylvania is ready to go. You are approved.

By July 1, the State could put together its process of implementing Medicaid expansion and providing health insurance to 500,000 Pennsylvania citizens and from us, who have the responsibility to put together the State budget, Mr. President, we could book that \$400 million of savings and slap that in place. That would help us not have to deal with other revenue-generating ideas. That would help us to figure out how we can put this State budget together with a \$1.5 billion budget deficit. That would help us pull this whole thing together, but the administration is choosing to ignore that concept and has offered up a Healthy PA concept, which has not been approved by the Federal government. We do not know when it is going to be approved by the Federal government, if it is ever going to be approved by the Federal government, and the administration is saying that they could begin that program in January of 2015. Well, that means 500,000 adults, low-income working individuals in Pennsylvania would have to wait another 6 months before they could begin looking at the possibility of getting health insurance. That means that the \$400 million of savings which could be realized by implementing Medicaid expansion would not be realized and that Healthy PA, which the administration is talking about, would only secure \$125 million worth of budget savings.

So, you have \$400 million of savings on one side, and \$125 million of savings on another side. That is \$275 million lost, for us as budget people, to utilize to fix this \$1.5 billion hole that we are in. That does not seem to add up. It does not seem to make sense. It seems to ignore the obvious. It seems to ignore the concept that every State around Pennsylvania has implemented. New York, New Jersey, Delaware, Maryland, West Virginia, and Ohio have all implemented Medicaid expansion. Every State around Pennsylvania has implemented Medicaid expansion in their State. New York, yes; Pennsylvania, no. New Jersey, yes;



Pennsylvania, no. Delaware, yes; Pennsylvania, no. Maryland, yes; Pennsylvania, no. West Virginia, yes; Pennsylvania, no. Ohio, yes; Pennsylvania, no. Or maybe I should rephrase it and say it like this: New York, health insurance; Pennsylvania, no. New Jersey, health insurance; Pennsylvania, none. Delaware, health insurance; Pennsylvania, none. Maryland, health insurance; Pennsylvania, none. West Virginia, health insurance; Pennsylvania, none. Ohio, health insurance; Pennsylvania, none.

This is another piece that needs to be recognized. When we walk around each one of those States and compare them to Pennsylvania, Mr. President, the discussion of the healthcare of our veterans has become much more active over the last several months. This increased discussion about the healthcare of our veterans relates to the fact of the failures of what is happening in our Veterans Administration in Washington, D.C., in our VA hospitals and healthcare system around the nation. We have talked about problems with respect to how the programs are being administered. It does not seem to recognize the fact that there has been a dramatic increase of the number of vets who can utilize the VA system but not a dramatic increase in the amount of funds to respond to those veterans' healthcare reality or healthcare crisis. But in all of that, the States have the possibility of addressing those issues.

One way to address the issue of providing healthcare and health insurance to our veterans is to expand Medicaid. In fact, in Pennsylvania, 23,000 veterans could get health insurance if we expanded Medicaid. The fact is, that because we have not expanded Medicaid, Mr. President, 23,000 veterans have been left without health insurance, since the opportunity began almost a year ago--23,000 veterans. In fact, those individuals who allow us the freedom to stand on the floor of the Senate of Pennsylvania, those 23,000 individuals who allow the people who watch us to sit in the comfort of their homes or their offices and listen to our debate, those 23,000 veterans who have sacrificed their own circumstances to allow the rest of us to enjoy the freedoms that sometimes we just take for granted, they could have had health insurance since January of this past year, but because we have chosen not to expand Medicaid, they are left waiting. They ask the question, why are we waiting? They wonder whether their service is being taken for granted. They wonder why they are being left out and not embraced by the rest of us when the opportunity is available to them.

The veterans in New York do not have to wait because they expanded Medicaid. The veterans in New Jersey do not have to wait because they have expanded Medicaid. The veterans in Delaware do not have to wait because they have expanded Medicaid. The veterans in Maryland do not have to wait because they have expanded Medicaid. The veterans in West Virginia do not have to wait because they have expanded Medicaid. The veterans in Ohio do not have to wait because they have expanded Medicaid. All of the veterans surrounding Pennsylvania get access to healthcare services through their own State because their elected leaders made a decision to make this available for them through the expansion of Medicaid. In Pennsylvania, the administration, the Governor, could send a one-page note to Washington, D.C., and within 24 to 48 hours that note would be approved, sent back to Pennsylvania, and 23,000 veterans in Pennsylvania could get Medicaid and get health insurance and their lives would be better and we would have done not just the right thing by them, we would have done a noble thing for them,

something that they deserve. They went off to war. They went off to conflict. They may have spent time in Iraq. They may have spent time in Afghanistan. They may have responded to crises around the world, whether they were the tsunamis in Japan, in southeast Asia, or the tornadoes, or hurricanes, or earthquakes, or other crises that have occurred across this country or around the world. We ask them to step up and they do. They lose time with their families, they lose time bonding with their children, they lose time taking their kids to Little League and helping their children with their homework after school. They lose time with their wives and husbands who are sitting home waiting and praying on a daily basis that they will be okay. These people, our brothers and sisters here in this Commonwealth, part of Pennsylvania's family, they deserve everything. They deserve all that we can do for them. They deserve it even more so, when it is not a heavy lift to make happen. The money is sitting there waiting in the bank in the Federal Reserve to come to Pennsylvania. It is in an account marked "Pennsylvania Medicaid expansion." It is there scheduled to come in, and our veterans are waiting.

So, Mr. President, this is a budget crisis that can be helped dramatically by a simple policy initiative that requires a simple sign-off. This is a crisis, I think, of conscience, of morals, that we could do something for those who have sacrificed so much to allow us the opportunity to do what it is we do in this Chamber on a daily basis. Our veterans are waiting for us in Pennsylvania to make the right decision. Hopefully, we will respond beyond the political discourse and step up for them as they have stepped up for us.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Farnese.

Senator FARNESE. Mr. President, I know the hour is late and I will be quick. I was not going to make remarks today but I just wanted to talk about a few things that the former speaker eloquently addressed: the issues of Medicaid expansion and where we are and what is really at stake. I cannot help but think about the idea of healthcare for any Pennsylvanian, let alone a veteran, folks who have spent part of their lives away from their families in service so that we can enjoy our freedoms, that there is an actual price tag on that, there is an actual policy tag on that, there is an actual discussion about whether or not we can do more for them. It is embarrassing to even have to have a discussion like that, and here we are, June 26, talking about getting a budget passed and still we cannot move in the right direction when it comes to this issue. The truth is, Mr. President, as we know, this has not changed since February, it has not changed since a year ago when many of us stood right here and requested, demanded, pleaded for Medicaid expansion. In fact, this Chamber did the right thing late in June last year. We passed an amendment, but as we know, that language in the bill, part of the code that went over to the House, was stripped out, another sign to the veterans and the people of Pennsylvania that we do not care about them. We give them something and then we take it away. Sometimes it is even worse than never having it at all. We already did that to them last year. Now here we are again, a year later, and we still have not given them what they deserve.

You know, we talked about working together, getting a budget done on time, doing the right thing for the people of Pennsylvania. Yet, here we are looking down the barrel of a budget that was just passed out of the House and the Committee on Appro-

priations, and you can talk about that it is really not soup yet, it is not the final budget that is going to be passed. We are going to bring it back and massage it, fix it, put more in, take more out, do this, and do that. But the truth is, decisions have been made by the Majority and by the administration to go in a direction without sitting down at the table with this side of the aisle to go on a path with a budget that we know does not work. We know that it is unsound, that it is a sham, that it is a fraud, and it really does nothing at all to help people in Pennsylvania move forward.

Earlier tonight, out of that room over there, in the meeting of the Committee on Appropriations, we passed a budget from the House, a \$29.1 billion spending plan, without working or consulting with this side of the aisle. Just put it in, take it out. Not even considering the sound policy initiatives that this side of the aisle has put forth not just this week, not just this month, but year after year after year. It is quite remarkable that every budget season we find ourselves making the same exact comments, making the same exact pleas, making the same exact requests, hoping that finally the administration will take a look at what we have put forth and say, you know what, I do not care if it is a Republican idea or a Democratic idea, it is a good idea. And there are so many good ideas on this side of the aisle, Mr. President. Because the spending plan that was just considered is not only short-sighted but it just does not include every funding opportunity that the Commonwealth of Pennsylvania needs to move forward. It does not give the people of Pennsylvania, and most importantly the children of Pennsylvania, every opportunity they need to be successful.

So, think about that. The former speaker talked about Medicaid expansion and how harmful the action of this building has been to veterans and people across the State. Then what do we do? We turn our backs again, with this administration, on public education and on our schoolchildren. Why are we not including potential revenue streams? Why has the Majority party, specifically on the other side of the building in the House, the House Republicans, why have they shut the door on sound funding policies such as a Marcellus Shale severance tax, or a tax on cigarettes and smokeless tobacco? Why have those items been taken off the table? Why have the folks on the other side said, not this year, we are not going to do it. We are going to be spiteful, we are going to be petty, we are going to play politics, and we are not going to let that happen. So instead, what we have is a \$29.1 billion budget, and that sounds like a lot, Mr. President. I understand that. Folks at home are going to be sitting there saying, \$29.1 billion, boy, that is a lot of money. But when you think about it, \$1 billion has been cut from public education in the first 3 1/2 years of this administration. \$1 billion slashed for children.

Now, when you look at the budget that came over from the House, the House Republican budget, look at what is not in there - smokeless tobacco tax not in there, cigarette tax not in there, Marcellus Shale not in there. I understand the argument that the Marcellus Shale industry creates jobs, it creates opportunities, it creates development where no development exists, but why cannot Pennsylvania join the rest of the country that has a fair and equitable severance tax? Because that is a bad word. You see, you cannot use that word. You have to use another word, "fee," or whatever else this administration dreams the heck up, but, quite frankly, they are running out of words and they are running out of time, and the people of Pennsylvania know that. And this

administration is running out of time.

Unfortunately, the clock is ticking on the children and the veterans who need help now. Mr. President, why are we relying now, so late in the game, on a phantom \$380 million from the privatization of the State's liquor business when we have yet to see any movement on this proposal in any of the Chambers - the Chamber here, the Chamber across the building, the Republican Chamber in the House? Why are we still talking about some ridiculous phantom number on an issue that just does not have any legs? We went down this road last year and we could not get it done, for good reason, because it is not smart. It is not sound, and it does not do what the people of Pennsylvania need to get done, and that is to help us move forward. I just cannot understand why we cannot look at sensible funding streams that are going to help us improve the lives of our children across Pennsylvania. It just seems that these options are just so sensible, yet there is no willingness to compromise.

I always believed, Mr. President, before I got here, that politics and government had to include reform, it had to include compromise. There had to be an opportunity to sit down at the table and talk about what we can do, what we cannot, what is doable, what is not. This administration just does not want to do it. And the folks across the building in the House, with all due respect, they just do not get it. They do not get it. So, we look at education, no long-term help, and I understand, Mr. President, this is an election year budget with some quick fixes, but no long-term solutions, which is what this Commonwealth needs and what the people of Pennsylvania need. Earlier this week, I spoke about pensions, another area that continues to come up, unsound ideas, unsound initiatives, just poorly-thought-out plans that are going to really hurt folks, not help them. The counter-proposal I spoke about on Tuesday is not supported by any of my Democratic colleagues. Twenty-three people all agree on the same thing: it is bad. No support for them because it is based upon shoddy revenue streams, basically something that really does not come to fruition, does not help move the ball forward when you are talking about an issue that is so critically important. We will do something this week. We will do something that is, quote, pensions, but it is really not addressing the big problem. It is not going to do anything that we really need to get done, and that will be an issue for the next administration, the next administration that I hope, and I believe, is more willing to work together and to compromise, because that is the only way we are going to get things done and it is the only way we are going to really move Pennsylvania forward.

I want to close with a thought. I cannot imagine, I honestly cannot imagine what it must feel like to either be someone right now or have a loved one right now who does not have access to medical care, especially when it is hanging so close in front of them, when it is right there. When you know all it takes, like the former speaker said, is an email. It is an understanding of what we need to do. I just cannot imagine what it must be like for folks across the Commonwealth to wake up each and every day and say, well, maybe today is the day. I was watching PCN and I heard them talking about it. Maybe today is going to be the day we are going to do it, maybe it is going to happen. There is not a delay, it is not about what Washington is doing. Do not fool yourself. It has nothing to do with that. The problem is that what we sent them does not work. It is not legitimate. It does not work. That is why there is this delay. This administration knew

that. They knew it in February when they introduced this sham, and they know it now. So, let us take responsibility. The responsibility lies in this place. The responsibility lies on this place and this administration because we do not have Medicaid expansion, a policy like the former speaker said, all the surrounding States, Republican States, Republican governors, Republican-controlled governorships that have seen the light years before this administration has. \$400 million in savings, 500,000 Pennsylvanians. This administration continues to turn its back on an additional \$4 billion in new revenue, in new Federal funds. \$4 billion in new Federal funds.

So, I am going to wrap it up, and I apologize for going on too long. I know that, as I said, the hour is late. I really cannot understand why we are still here. Maybe we cannot get a budget done, maybe we have disagreements upon how to do it, but when you are talking about education and you are talking about healthcare, healthcare for our veterans and education dollars that are going to make the future of Pennsylvania brighter and give those kids an opportunity to succeed, I do not know how you put a price tag on that. So let me end up where I began, \$29 billion. What are the lives of your children worth? Can you put a price tag on them? Can you put a price tag on insuring that they have every single opportunity that we had as we stand here? Is there a price tag on that? Is there a point when we say, you know what, I cannot go much higher, it is not worth it. Is there a price tag on what you can say the peace of mind is to know that you have healthcare coverage, that if you get sick, and we all do, unfortunately, it is a way of life, that you have somewhere to turn, that you have that safety net? Is there a price tag on that? And what is the cost of that? \$29.3 billion? \$28.1 billion? What is the price tag on that? Who determines that price tag? Who are the people who sit in a room and determine who gets healthcare coverage and who does not? Who gets a quality education and who does not? Who picks losers and winners, and when was that the way that we were supposed to be governing? That does not sound like compromise to me.

So, Mr. President, we will move forward tomorrow and we will probably move forward with a budget that, as it stands right now, folks on this side of the aisle have been shut out, our ideas shut out. The voices of the people whom we represent, and sometimes that issue is forgotten, sometimes it is forgotten that every single one of these seats represents over 250,000 people in Pennsylvania. How relevant was that to the conversation we had hours ago about whether or not we should have the Lieutenant Governor? Someone elected by millions of people as opposed to 250,000. Each one of these seats is 250,000. It adds up. That is the number that we should be worried about, the number of folks who do not have a voice on this side of the aisle. That is what we should be concerned about. Dollars and cents are dollars and cents. We can address that. We can address it by compromise. But to deny the people of Pennsylvania a voice in how their children are raised, how their kids are educated, and how their folks and their families are taken care of. I am just so sick and tired of standing here and making the same darn arguments, making the same demands, and making the same pleas for people. It seems like it just falls on deaf ears. Time is ticking, Mr. President. Time is ticking for the people of Pennsylvania, and yes, time is ticking for this administration as well.

Thank you, Mr. President.

## HOUSE MESSAGES

### SENATE BILL RETURNED WITH AMENDMENTS

The Clerk of the House of Representatives returned to the Senate **SB 137**, with the information the House has passed the same with amendments in which the concurrence of the Senate is requested.

The PRESIDING OFFICER. Pursuant to Senate Rule 13(c)(2)(i), the bill will be referred to the Committee on Rules and Executive Nominations.

### HOUSE BILLS FOR CONCURRENCE

The Clerk of the House of Representatives presented to the Senate the following bills for concurrence, which were referred to the committee indicated:

June 26, 2014

**HB 2334, 2335, 2336, 2337 and 2338** -- Committee on Appropriations.

### RECESS

The PRESIDING OFFICER. The Chair recognizes the gentleman from Beaver, Senator Vogel.

Senator VOGEL. Mr. President, I move that the Senate do now recess until Friday, June 27, 2014, at 11 a.m., Eastern Daylight Saving Time, unless sooner recalled by the President pro tempore.

The motion was agreed to by voice vote.

The Senate recessed at 7:37 p.m., Eastern Daylight Saving Time.