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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 536 Session of 2019

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INTRODUCED BY BROWNE, AUMENT, MARTIN, LEACH, ARGALL, PHILLIPS-HILL, FOLMER, BAKER, BLAKE, K. WARD, DINNIMAN, YUDICHAK, MENSCH, STEFANO, J. WARD AND TARTAGLIONE, APRIL 10, 2019

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REFERRED TO EDUCATION, APRIL 10, 2019

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AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," establishing the Public Higher  
6 Education Funding Commission.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known  
10 as the Public School Code of 1949, is amended by adding an  
11 article to read:

12 ARTICLE XX-I

13 MISCELLANEOUS PROVISIONS RELATING TO

14 INSTITUTIONS OF HIGHER EDUCATION

15 Section 2001-I. Public Higher Education Funding Commission.

16 (a) Establishment.--The Public Higher Education Funding  
17 Commission is established.

18 (b) Duties.--The commission shall review and make  
19 recommendations related to higher education funding,

1 affordability and effectiveness and administration and  
2 operations as provided in this section.

3 (c) Membership.--

4 (1) The commission shall consist of the following  
5 members:

6 (i) The chair and minority chair of the  
7 Appropriations Committee of the Senate and the chair and  
8 minority chair of the Appropriations Committee of the  
9 House of Representatives.

10 (ii) The chair and minority chair of the Education  
11 Committee of the Senate and the chair and minority chair  
12 of the Education Committee of the House of  
13 Representatives.

14 (iii) Two legislators appointed by the President pro  
15 tempore of the Senate.

16 (iv) Two legislators to be appointed by the Speaker  
17 of the House of Representatives.

18 (v) One legislator to be appointed by the Minority  
19 Leader of the Senate.

20 (vi) One legislator to be appointed by the Minority  
21 Leader of the House of Representatives.

22 (vii) The Secretary of Education.

23 (2) The commission shall appoint a member to serve as  
24 chair of the commission.

25 (d) Meetings.--

26 (1) The commission shall hold its first meeting within  
27 45 days of the effective date of this section, regardless of  
28 whether all legislative caucuses have approved members to the  
29 commission.

30 (2) The commission shall hold meetings at the call of

1 the chair.

2 (e) Payments to members.--The members may not receive  
3 compensation for their services, but shall be reimbursed for all  
4 necessary travel and other reasonable expenses incurred in  
5 connection with the performance of their duties as members of  
6 the commission.

7 (f) Administrative support.--The General Assembly shall  
8 provide administrative support, meeting space and any other  
9 assistance required by the commission to carry out its duties  
10 under this section in cooperation with the department. The  
11 department shall provide the commission with data, research and  
12 other information upon request by the commission.

13 (g) Cooperation from public institutions of higher  
14 education.--The public institutions of higher education shall  
15 provide meeting space and any other assistance required by the  
16 commission to carry out its duties under this section. The  
17 public institutions of higher education shall provide the  
18 commission with data, research and other information upon  
19 request of the chairman.

20 (h) Higher education funding formula.--The commission shall  
21 develop a higher education funding formula and identify factors  
22 that may be used to determine the distribution of funding among  
23 the public institutions of higher education. The factors  
24 identified under this subsection may include all of the  
25 following:

26 (1) Goals for higher education.

27 (2) Goals for higher education completion and  
28 attainment.

29 (3) This Commonwealth's higher education needs.

30 (4) The affordability of higher education for residents

1 of this Commonwealth.

2 (5) Resident and nonresident undergraduate and graduate  
3 enrollments.

4 (6) Graduation rates.

5 (7) Retention rates.

6 (8) Time to degree, including associate's degrees and  
7 bachelor's degrees.

8 (9) Cost per degree, including tuition and fees.

9 (10) Operational cost per full-time student.

10 (11) Student debt, including debt of graduates and  
11 noncompleters.

12 (12) Student financial aid, including programs operated  
13 by the agency.

14 (13) Job placement after graduation.

15 (14) Entry level wages.

16 (15) Degrees granted in occupations that will align with  
17 the Commonwealth's long-term economic needs.

18 (16) Utilization of existing educational programs and  
19 facilities.

20 (17) Transfer and articulation of credits between public  
21 institutions of higher education.

22 (18) Institutional mission, including metrics that  
23 reflect differences in the missions between the institutions.

24 (19) The appropriate level of recurring State support to  
25 maintain operations.

26 (20) The appropriate level of formula driven funding to  
27 incentivize success.

28 (21) The access and success of underrepresented  
29 populations.

30 (22) Comparisons of the factors contained in this

1 section with those factors for private institutions of higher  
2 education that are located inside and outside this  
3 Commonwealth, when available.

4 (23) Other factors related to higher education and the  
5 distribution of higher education funding that the commission  
6 deems appropriate.

7 (i) Additional powers and duties.--The commission shall have  
8 all of the following powers and duties:

9 (1) Review and make findings and recommendations related  
10 to higher education funding in this Commonwealth.

11 (2) Consult with and utilize experts to assist the  
12 commission in carrying out the duties under this subsection.

13 (3) Receive input from interested parties, including,  
14 but not limited to, public institutions of higher education.

15 (4) Hold public hearings in different regions of this  
16 Commonwealth.

17 (5) Review and consider higher education funding  
18 formulas and factors utilized throughout the United States.

19 (6) In identifying the higher education funding factors  
20 under subsection (h) and in completing the report required  
21 under this subsection, consider the impact these factors may  
22 have on the distribution of higher education funding among  
23 the public institutions of higher education.

24 (7) Review the administration and operation of State and  
25 regional higher education programs and services, including  
26 the public institutions of higher education and the agency to  
27 determine if cost savings for the Commonwealth and its  
28 students may be achieved and make recommendations to  
29 implement savings and efficiencies.

30 (8) Review the administration and operations of State

1 and regional higher education programs and services,  
2 including the public institutions of higher education and the  
3 agency, and make recommendations regarding administration and  
4 operations.

5 (9) Prior to recommending a higher education funding  
6 formula under this section, consider the potential  
7 consequences of a higher education funding formula that does  
8 not allocate to each public institution of higher education  
9 at least the same level or proportion of State funding as the  
10 institution received in the prior fiscal year.

11 (10) Prior to recommending a higher education funding  
12 formula under this section, consider nationally accepted  
13 accounting and budgeting standards.

14 (11) Develop a proposed higher education funding formula  
15 and factors pursuant to subsection (h).

16 (12) Draft proposed legislation based on the  
17 commission's findings.

18 (13) Issue a report of the commission's findings and  
19 recommendations to the Governor, the President pro tempore of  
20 the Senate, the Speaker of the House of Representatives, the  
21 Majority Leader and Minority Leader of the Senate, the  
22 Majority Leader and Minority Leader of the House of  
23 Representatives, the Secretary of Education and the State  
24 Board of Education, the Appropriations Committee of the  
25 Senate, the Appropriations Committee of the House of  
26 Representatives, the Education Committee of the Senate and  
27 the Education Committee of the House of Representatives not  
28 later than one year after the effective date of this section.

29 (j) Effective date of higher education funding formula.--The  
30 higher education funding formula developed by the commission

1 shall not go into effect unless the formula is approved by an  
2 act of the General Assembly enacted after the effective date of  
3 this section.

4 (k) Continuation of commission.--Every five years the  
5 commission shall be reconstituted in accordance with subsection  
6 (c) and shall meet and hold public hearings to review the  
7 operation of the higher education funding provisions of this  
8 section and shall make a further report and issue the report to  
9 the recipients listed in subsection (i) (13).

10 (l) Level of state funding through appropriations.--The  
11 General Assembly shall, through the annual appropriations  
12 process, determine the level of State funding for public  
13 institutions of higher education.

14 (m) Definitions.--As used in this section, the following  
15 words and phrases shall have the meanings given to them in this  
16 subsection unless the context clearly indicates otherwise:

17 "Agency." The Pennsylvania Higher Education Assistance  
18 Agency.

19 "Commission." The Public Higher Education Funding Commission  
20 established under this section.

21 "Department." The Department of Education of the  
22 Commonwealth.

23 "Public institution of higher education." A State-owned  
24 university, a State-related university, a community college, the  
25 Pennsylvania College of Technology and the Thaddeus Stevens  
26 College of Technology.

27 Section 2. This act shall take effect immediately.