## THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL No. 1722 smome 2005 

INTRODUCED BY LESCOVITZ, CALTAGIRONE, W. KELLER, S. MILLER, PRESTON, SCHRODER, STURLA, TIGUE AND YOUNGBLOOD, JUNE 14, 2005

REFERRED TO COMMITTEE ON EDUCATION, JUNE 14, 2005

## AN ACT

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," further providing for how school districts are constituted, for classification of school districts, for creation of new cities, boroughs and townships, for basis for and change of classification, for changing the classification of a school district and the effect of such change, for combining school districts, for property and indebtedness and rental obligations of former component school districts, for change in school districts and the effects of such change, for filing copy of action creating new district, or affecting fourth class district, for approval or disapproval of creation or change of third or fourth class districts, for annexation to district of first class, for approval of contracts and changes after vote for annexation, for tax levy or debt for buildings or grounds pending change of boundaries, etc., for small district assistance after combination of school districts, for establishment of independent districts for transfer of territory to another school district, for amicable adjustment and apportionment, for apportionments and how and when to make them, for apportionment by commissioners, for confirmation of report, effect and costs, for court to dispose of exceptions, for apportionment by bill in equity, for districts in more than one county, for purpose, construction of subdivision, for educational performance standards, for standards for organization of administrative units, for submission of plans, for independent school districts, for approval of organizational plans, for independent district approval by State Board of Education, for consolidation of municipalities, for Department of Public

Instruction to prepare plans, for establishment of reorganized school districts, for advance establishment, for property and indebtedness and rental obligations of former school districts; providing for advisory committees; further providing for number and appointment in districts of the first class A, for school board in first class A school districts, apportionment of seats and numbers, terms and methods for election of school directors in first class A school districts, for number and election in districts of the second, third and fourth classes, terms of office, for incumbent school directors and interim operating committee, for number and election in districts third class, terms of office, for number and election in districts fourth class, terms of office, for elections where district not coextensive with, or in more than one city, borough, town or township, for newly formed districts, for annexation of territory, for appointment in independent districts for transfer purposes, terms of office, for filling of vacancies, for the beginning of the school year and organization meetings, for districts second, third and fourth class permanent organization, for election of officers, for records, etc., open to taxpayers, for compensation of the secretary of the board of school directors, for duties, for compensation for school treasurers, for investment of school district funds, for copies of school laws, for temporary emergency war provisions, for temporary emergency provisions, for educational broadcasting, for the closing of schools or departments, for establishment and operation of educational television and broadcasting facilities and for free transportation; and making editorial changes.

The General Assembly of the Commonwealth of Pennsylvania
hereby enacts as follows:
Section 1. Section 201 of the act of March 10, 1949 (P.L.30,
No.14), known as the Public School Code of 1949, amended October
21, 1965 (P.L.601, No.312), is amended to read:
Section 201. How Constituted.--All school districts shall remain as now constituted until changed as authorized by this act. Except as otherwise now or hereafter constituted, each [city, incorporated town, borough, or township] county or groups of counties in this Commonwealth, now existing or hereafter created, shall constitute a separate school district, to be designated and known as the "School District of .... ........................"[:" Provided, That where any city, incorporated town, borough, or township, or a part of the school
district remaining after its separation would constitute a third or fourth class school district, it shall remain a part of the school district to which it formerly belonged until the change to a new school district is approved by the Council of Basic Education, as hereinafter provided.]

Section 2. Section 202 of the act, amended June 22, 2001 (P.L.530, No.35), is amended to read:

Section 202. Classification.--The several school districts of the Commonwealth are hereby divided into five classes, as follows:

Each school district having a population of one million (1,000,000), or more, shall be a school district of the first class;

Each school district having a population of two hundred fifty thousand $(250,000)$, or more, but of less than one million (1,000,000), shall be a school district of the first class A;

Each school district having a population of thirty thousand $(30,000)$, or more, but of less than two hundred fifty thousand (250,000), shall be a school district of the second class;

Each school district having a population of five thousand $(5,000)$, or more, but of less than thirty thousand $(30,000)$, shall be a school district of the third class.
[Each school district having a population of less than five thousand $(5,000)$ shall be a school district of the fourth class.]

Section 3. Section 203 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:
[Section 203. Creation of New Cities, Boroughs, and Townships.--When a new school district is formed by the creation of a new city, borough, or township, the court of common pleas
district has not the required population to remain in the class in which the same then is or if it shall appear that the district has sufficient population to entitle it to advance to another class of district, the [Superintendent of Public Instruction] Secretary of Education, on the request of the board of school directors and upon receipt of the facts disclosed by said census, may issue his proclamation declaring such district to be of the class to which it properly belongs, as disclosed by the census of the school board.
(3) Where the population of two districts combined subsequent to the taking of a United States census and ascertained by such census is such as to entitle the new or combined district to be in a class different from the class of either of the districts so combined. [;
(4) Where, since the last preceding United States census, any territory has been annexed to any city, borough, town, or township, whereby the population of such city, borough, town, or township has been increased, and the population of such annexed territory cannot be ascertained from the last preceding census of the United States, the directors of the school districts affected by such annexation may apply to the court of common pleas for the appointment of a commissioner to make an enumeration of the population of such annexed territory. The court shall certify the population of the annexed territory so ascertained, together with the population of the city, borough, town, or township, as shown by the last preceding United States census, to the Superintendent of Public Instruction. The cost of the proceeding, including reasonable compensation for the commissioner, to be fixed by the court, shall be paid by the school district.]

Section 5. Section 205 of the act is amended to read:
Section 205. Change of Class; How Effected.--Whenever it shall appear, in any case hereinafter enumerated, that the population of any school district in this Commonwealth is such that it should be included in another class of school districts, the [Superintendent of Public Instruction] Secretary of Education shall issue a certificate to said school district to that effect, and such school district shall, with the beginning of the next school year after said certificate has been issued, become a school district of the class to which it properly belongs. The provisions of this section shall apply when[:--
(1) The Superintendent of Public Instruction] the Secretary of Education, after the taking of each United States census, has canvassed the same, so far as it relates to the population of the several school districts, which he is hereby required to do. [;
(2) Territory comprising a separate school district is annexed to a city, borough, or township, and the decree of the court or the vote of the electors effecting such annexation has been certified to the Superintendent of Public Instruction;
(3) Territory has been annexed to a city, borough, town, or township, and enumeration of the population of such annexed territory has been made.]

Section 6. Sections 224 and 225 of the act, amended December 7, 1965 (P.L.1034, No.385), are amended to read:

Section 224. Combination of School Districts.--Any two or more county school districts [or administrative units] may combine to create a larger school district. The board of school directors of each school district desiring to form such a combination shall, by a majority vote, adopt a resolution
districts as a union district, or an existing school district of the third or fourth class is affected by the annexation to a city, or borough, or township, of territory included within a school district of the third or fourth class, the clerk of the courts or other proper officer shall, within ten days thereafter, make a certified copy of the petition therefor, agreement, or ordinance, and the decree or order creating such new city, borough, township, or independent school district, or union school district, or of the decree of the court or vote of the electors affecting such annexation, and mail the same to the Superintendent of Public Instruction, Department of Public Instruction, Harrisburg, Pennsylvania.]

Section 9. Section 228 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:
[Section 228. Approval or Disapproval of Creation or Change of Third or Fourth Class Districts.--(a) If the newly created city, borough, or township, or independent school district, or union school district, or the part of a school district remaining after the separation would constitute a school district of the third or fourth class, the receipt of said certified copy shall be deemed an application for the creation of a new school district of the third or fourth class or change in the boundaries of an existing school district of the third or fourth class, and the Superintendent of Public Instruction shall, within sixty days thereafter, notify the school districts, which will be affected that an application has been received and that a time and place for hearing the application will be determined upon receipt of request from any such district. If no such request is filed within thirty days, the Department of Public Instruction may certify approval of the
unchanged. Within ninety days after the decision of the council, ten taxables of any school district affected by the council's decision may appeal to the State Board of Education in which case the board, for cause shown, may vacate such refusal, and may approve the creation of such new district of the third or fourth class or change in boundaries of an existing district of the third or fourth class. After the elapse of five years from the date of any refusal by the Council of Basic Education to approve an annexation for school purposes, the council shall reconsider its decision upon petition of ten taxables of any school district affected by the council's decision.]

Section 10. Section 229 of the act, amended May 13, 1949 (P.L.1332, No.397), is amended to read:
[Section 229. Annexation to District of First Class.-Whenever hereafter the territory comprising a school district of the second, third, or fourth class is annexed to a city comprising a school district of the first class or of the first class A, the annexed school district shall immediately become merged in and become a part of said school district of the first class or of the first class A.]

Section 11. Sections 230 and 231 of the act are amended to read:
[Section 230. Approval of Contracts and Changes after Vote for Annexation.--Where, under the provisions of any act of Assembly, an election shall be held for and against the annexation of territory comprising a school district of the second, third, or fourth class, to a city comprising a separate school district, and, if it shall appear by the vote when counted that a majority has voted for said annexation and the result of said election shall have been certified to the court 20050H1722B2189 - 11 -
combine to create a [new] regional school district and at least [one] fifty-one percent of the districts which combined to create that new school district was eligible for small district assistance for the last school year prior to the combination, the new school district shall receive, for each of the first five school years after the combination, in addition to any other payments by the Commonwealth, an amount equal to either the total of the small district assistance for which all of the districts were eligible for the last school year prior to combining to create that new school district or the small district assistance for which that new school district is eligible, whichever is greater.

Section 13. Section 242.1 of the act, amended December 19, 1967 (P.L.865, No.383), is amended to read:
[Section 242.1. Establishment of Independent Districts for Transfer of Territory to Another School District.--(a) A majority of the taxable inhabitants of any contiguous territory in any school district or school districts, as herein established, may present their petition to the court of common pleas of the county in which each contiguous territory, or a greater part thereof, is situated, asking that the territory be established as an independent district for the sole purpose of transfer to an adjacent school district contiguous thereto. Where the territory described in any such petition is to be taken from two or more school districts, such petition shall be signed by a majority of all the taxable inhabitants of the part of each school district which is to be included in such independent district for transfer. Such petitions shall set forth a proper description of the boundaries of the territory to be included in such proposed independent district, and the
reasons of the petitioners for requesting such transfer to another school district and the name of the district into which its territory is proposed to be placed.

The court shall hold hearing thereon, of which hearing the school district or districts out of whose territory such proposed independent district is to be taken and the school district into which the territory is proposed to be assigned, shall each have ten days notice. In all cases where an independent district is proposed for transfer from one school district to another, the merits of the petition for its creation, from an educational standpoint, shall be passed upon the Superintendent of Public Instruction and the petition shall not be granted by the court unless approved by him. The court of common pleas shall secure the reaction from the Superintendent of Public Instruction upon receipt of the petition properly filed.

The court, in its decree establishing such independent district for transfer purposes, shall also determine the amount, if any, of the indebtedness and obligations of the school district, from whose territory such independent district is taken, that said district shall assume and pay, and, a statement prorating the State subsidies payable between or among the losing district or districts and the receiving district.

In all cases where such proceedings result in the creation and transfer, by decree of the court, of an independent district, the cost and office fees shall be paid by the petitioners or, otherwise, by the receiving district. Such independent districts created under the provisions of this act shall not become an operating school district but will be created for transfer of territory only.
hereafter, the court of common pleas shall notify the county board of school directors regarding receipt of petition for such establishment and shall direct said board to prepare a statement of acceptance or rejection of the proposed placement of the district in the designated administrative unit of the county plan; such statement to be transmitted to the court and to the State Board of Education.]

Section 14. Section 271 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:
[Section 271. Amicable Adjustment and Apportionment.--In any case where (1) any school district is abolished and its land reverts to or becomes a part of two or more school districts, or (2) any land heretofore annexed to one school district is made a part of the district in which it is located, or (3) a new district is made by the creation of a new city, borough, township, or independent school district, out of one or more school districts, or (4) the boundary lines of any district are changed by the changing of the boundary lines of any city, incorporated town, borough, township, or school district, or (5) any part of any school district is merged with any other district or districts or parts thereof, then, in any such case, the school districts to which land has been annexed or from which land has been taken, or which have been newly created, shall make a just and proper adjustment and apportionment of all school property, real and personal, including funds, as well as indebtedness, and rental obligations to an approved school building authority, if any, to and among such school districts. Such adjustment and apportionment shall be made as of the date of the decree or order creating such new city, borough,
township, or school district, or of the decree of the court or vote of the electors effecting such annexation or merger, or the first Monday of July following approval by the Council of Basic Education of the annexation for school purposes.]

Section 15. Sections 272 and 273 of the act, amended August 22, 1961 (P.L.1022, No.460), are amended to read:
[Section 272. Apportionments; How and When Made.--In making such adjustment and apportionment of property, indebtedness, and rental obligations to an approved school building authority, the amount and assessed value of land acquired by or taken from such districts, as compared with the amount and assessed value of the other land in the districts, as well as the value of the school grounds, together with the buildings thereon, and the furniture and equipment therein, and other school property in such districts, shall be taken into consideration in determining the amount, if any, that shall be paid by one district to another, or in apportioning the indebtedness, and rental obligations to an approved school building authority, if any, that shall be assumed and paid by any of the districts. Such adjustment and apportionment of property and liability shall be made by the boards of school directors of the several districts concerned, before or during the first school year after such boundaries have been changed.

Section 273. Apportionment by Commissioners.--In case the boards of school directors of the several school districts cannot make amicable apportionment and adjustment of their property, indebtedness and rental obligations to an approved school building authority, before or during the first school year beginning after any such change in their boundary lines is made, any one of such school districts may, at any time within
the succeeding school year, present its petition to the court of common pleas of the county in which such school district is located. The court shall appoint three disinterested commissioners, residents and taxpayers of the county, not residing in either of the districts whose boundary lines are changed. Such commissioners, after a hearing, shall make a report to the court, making an apportionment and adjustment, according to the provisions of this act, of all school property, as well as indebtedness, and rental obligations to an approved school building authority, if any, to and among the several school districts from which or to which land has been taken or added, or which have been newly created, as the case may be. Said report shall state the amount, if any, that shall be due and payable from one district to another, as well as the amount of indebtedness, and rental obligations to an approved school building authority, if any, that shall be assumed by any district. Due notice of such hearing shall be given to the several districts interested as the court may direct.]

Section 16. Sections 274, 275, 276 and 277 of the act are amended to read:
[Section 274. Confirmation of Report; Effect; Costs.--The commissioners shall give the several districts interested at least five (5) days' notice of the filing of their report. Unless exceptions are filed thereto by any district interested within thirty (30) days after the filing thereof, the same shall be confirmed by the court absolutely. Any sum awarded by said report to any school district shall be a legal and valid claim in its favor against the school district charged therewith. The amount of debt, if any, apportioned to any school district shall be a legal and valid claim against such district charged
therewith. Upon the report of the commissioners being confirmed, such claims or indebtedness charged against any school district may be collected in the same manner as a judgment is collected against any school district.

Such commissioners shall be allowed three dollars (\$3) per day for each day actually spent by them in the performance of their duties, together with their actual necessary expenses. All costs and expenses of such proceeding shall be apportioned by the court, to and among the several school districts, as it shall deem proper.

Section 275. Court to Dispose of Exceptions.--In case exceptions are filed to the report of the commissioners, the court shall dispose of the same, taking testimony therein, if it deems advisable. The decision of the court thereon shall be final and binding on the several districts, without any right of appeal.

Section 276. Apportionment by Bill in Equity.--If the respective school districts shall neglect or refuse to petition the court for the appointment of commissioners to secure an apportionment and adjustment within the period of the second year, as herein provided, either of said school districts, or any ten resident citizens owning taxable property within either of said school districts, may file a bill in equity at any time within six (6) years from the date of said change in boundary lines, in the name of the school district or for the use of the school district, against the other school district, in the court of common pleas of the proper county, to have such indebtedness apportioned and adjusted, and setting forth the facts upon which any claim of amounts due shall be made in accordance with the manner of adjustment set forth in the preceding sections of this
act. Such case shall be proceeded with in accordance with the equity rules and a decree of dismissal or of payment shall be made after due hearing by the court, subject to further right of appeal, as allowed by law.

Section 277. Districts in More Than One County.--In cases in which such districts are situated in two or more counties, the court of common pleas of the county in which the largest part in area of the land annexed to or taken from any district is situated shall have exclusive jurisdiction over the matter. If commissioners are to be appointed, the court may appoint the commissioners from any one or all such counties.]

Section 17. Sections 290, 290.1, 291 and 292 of the act, added August 8, 1963 (P.L.564, No.299), are amended to read:

Section 290. Purpose; Construction of Subdivision.--The purpose of this subdivision is to provide a flexible framework and effective and orderly means whereby the administrative units of the Commonwealth's public school system can be expeditiously reorganized into county-wide or regional school districts. While deeply impressed with the continuous dedicated responsibility exercised over the last century by the citizenry through their local boards of school directors, the General Assembly must also be cognizant of the responsibility placed upon it by Article X., section 1 of the Constitution of Pennsylvania which requires in part, that "The General Assembly shall provide for the maintenance and support of a thorough and efficient system of public schools, wherein all the children of the Commonwealth above the age of six years may be educated...." As the evidence demonstrates beyond reasonable dispute that the present administrative system of [more than two thousand (2,000)] five hundred and one (501) school districts is incapable of providing
adequate education and appropriate training for all of the children of the Commonwealth above the age of six, the General Assembly hereby renews its dedication to its responsibility of providing a thorough and efficient system of public schools within the Commonwealth. It is hereby declared to be the purpose and intention of the General Assembly to establish the procedures and provide for the standards and criteria under which school directors and district administrators and county boards of school directors and county administrators shall have the power and bear the duty of [determining the appropriate administrative units to be created in each county] creating in each county, or counties, a school district to carry out the responsibilities shared by them and the General Assembly[,] of educating and training each child within [his] the child's capacity to the extent demanded by the immediate requirements of growth and strengthening of this Commonwealth and nation. Only where such local officials fail to act, or act arbitrarily outside of the standards and criteria provided for in the sections following, shall the Commonwealth through its duly authorized agencies and officials act to insure compliance with law within the powers set forth below and as restricted therein. The improvements in the educational system hereby obtained are not to be construed as a final resolution of organizational problems. Local school officials as agents of the General Assembly are directed to continually review organizational patterns and adopt without delay all changes which will accelerate the progress of public education. It is further declared to be the purpose and intention of the General Assembly that the above may be used in construing and arriving at legislative intent with respect to the provisions of this
population changes and the capability of providing a comprehensive program of education.] county-wide or regional school districts.

Section 292. Sulmission of Plans.--Each county board of school directors, on or before July 1, [1964] 2006, shall prepare a plan of organization of administrative units for the county, conforming to the standards for approval of [administrative units] county-wide or regional school districts adopted by the State Board of Education. The plan shall be submitted to the Department of [Public Instruction] Education not less than thirty (30) days nor more than sixty (60) days after it is prepared. [Any school district which considers itself aggrieved by the plan may set forth its specific objections in a petition which shall be served by registered or certified mail on the secretary of the county board of school directors. All such petitions filed shall be appended to the plan prior to submission to the Department of Public Instruction. No plan of organization of administrative units shall be submitted which violates any written agreement entered into by several school districts for the establishment of a joint school or department, unless the agreement is amended to provide that it shall be discontinued at the time the proposed administrative unit is deemed established as a school district. A plan of organization of administrative units shall be deemed to violate a written agreement entered into by several school districts for the establishment of a joint school or department only when it formulates an administrative unit, which in whole or in part comprises less than all of the school districts joined by such agreement. In preparing its plans, a county board of school directors shall confer with school directors and
administrators of all school districts of the county, and may confer with the staff of the Department of Public Instruction and upon written request shall confer with other interested persons. Each plan shall assure the continuity of special education and area technical school programs by providing special education and area technical school attendance areas established in accordance with standards approved by the State Board of Education.

Each county board of school directors which prepared and submitted to the Department of Public Instruction prior to January 1, 1963, a plan of organization of administrative units for the county, shall, in compliance with the provisions hereof, reconsider such plan and submit the same or a revised plan on or before July 1, 1964, irrespective of the action taken on the prior plan. In those cases where the prior plan was approved by the State Council of Education, the plan submitted when approved by the Council of Basic Education shall supersede the prior approved plan as the plan of organization of administrative units for the county.]

Section 18. Section 292.1 of the act, amended December 19, 1967 (P.L.865, No.383), is amended to read:
[Section 292.1. Independent Districts.--When an independent district is created by the court of common pleas for purposes of transfer from one school district to another, the court shall submit to the State Board of Education its decree creating such district. Such decree shall be considered an application for the assignment of said district to the designated administrative unit of the approved county plan.]

Section 19. Section 293 of the act, added August 8, 1963 (P.L.564, No.299), is amended to read:

Section 293. Approval of Plans.--(a) When any plan of organization of [administrative units for a county] a countywide or regional school district is found to conform to the standards for approval of administrative units adopted by the State Board of Education, the Department of [Public Instruction] Education shall cause such plan to be placed upon the agenda of the Council of Basic Education. The Council of Basic Education shall review all plans placed upon its agenda, and approve such plans as it deems wise in the best interests of the educational system of the Commonwealth. [Except as hereinafter provided, no plan of organization of administrative units shall be approved in which any proposed school district contains a pupil population of less than four thousand (4,000), unless when factors of topography, pupil population, community characteristics, transportation of pupils, use of existing school buildings, existing administrative units, potential population changes and the capability of providing a comprehensive program of education are considered by the Council of Basic Education as requiring the approval of a plan of organization of administrative units in which one or more proposed school districts contains a pupil population of less than four thousand $(4,000)$. (b) A plan of organization of administrative units for a county shall be approved by the Council of Basic Education, if the plan contains (i) no unit with a pupil population less than that of the unit with the smallest pupil population in the last previous county-wide plan submitted to and approved by the State Council of Education prior to September 12, 1961, and (ii) no more units than were in the aforesaid county-wide plan plus an additional unit for each second class district which was not required to be a part of
such county-wide plan and which was not included in an administrative unit thereof. (c) Pupil population as used in this section shall mean the average daily membership for the school year 1961-1962 including kindergarten or grade one through grade twelve.]

Section 20. Section 293.1 of the act, amended December 19, 1967 (P.L.865, No.383), is amended to read:
[Section 293.1. Independent Districts.--When a court decree is received creating an independent district for transfer purposes, the State Board of Education shall place such item on its agenda and either approve or disapprove the creation and transfer. If approval is given, the board shall direct the Council of Basic Education to make the necessary changes in the county plan. If disapproved, the board shall state its reasons for such disapproval and the independent district shall be provided a hearing if it so desires.]

Section 21. Section 293.2 of the act, added July 23, 1965 (P.L.139, No.95), is amended to read:
[Section 293.2. Consolidation of Municipalities.--Whenever the court of common pleas in any county orders the consolidation of any municipalities, it shall serve a copy of its order on the State Board of Education. Upon receipt of such order the board shall direct the Council of Basic Education to make such changes in county plans as may be necessary.]

Section 22. Section 295 of the act, added August 8, 1963 (P.L.564, No.299), is amended to read:

Section 295. Department of [Public Instruction] Education to Prepare Plans.--In the event that no plan of organization of administrative units is approved by the Council of Basic Education for a county prior to January 1, [1965] 2007, the

Department of [Public Instruction] Education shall prepare and place upon the agenda of the Council of Basic Education a plan of organization of [administrative units for the county.] a county-wide or regional school district. When approved by the Council of Basic Education, such plan shall be deemed the approved plan of organization of administrative units for the county.
[Any school district which considers itself aggrieved by a plan of organization of administrative units approved by the Council of Basic Education may appeal to the State Board of Education by filing a petition, within thirty (30) days after approval of the plan, setting forth the grounds for such appeal. A copy of such petition shall be served by registered or certified mail on the secretary of the county board of school directors. The State Board of Education, or its representative, shall fix a day and time for hearing, shall give written notice to all parties interested, and may hear and consider such testimony as it may deem advisable to enable it to make a decision. After reaching its decision, the State Board of Education shall enter such order as appears to it just and proper, either directing the Council of Basic Education to approve the plan in an amended form or confirming the plan in the form previously approved by the Council of Basic Education. The decision of the State Board of Education shall be final, unless an appeal is taken as now provided under the provisions of the "Administrative Agency Law."]

Section 23. Section 296 of the act, amended June 2, 1965 (P.L.86, No.59), is amended to read:

Section 296. Establishment of Reorganized School Districts.--On July 1, [1966] 2008, or on the date of advance
establishment, all [administrative units] county-wide or regional school districts contained in plans of organization [of administrative units] approved by the Council of Basic Education shall constitute and be deemed established as school districts, and shall belong to the class to which they are entitled as provided by law. [: Provided, however, if any approved administrative unit includes any district or districts of the second, third, or fourth class with any district of the first class A, such district or districts of the second, third, or fourth class shall be merged into and become part of said district of the first class $A$, and said district of the first class A as thus enlarged shall be the reorganized district and shall be considered as having had continued existence.]

Section 24. Section 297 of the act, added August 8, 1963 (P.L.564, No.299), is amended to read:

Section 297. Advance Establishment.--(a) Any [administrative unit] county-wide or regional school districts contained in a plan of organization of administrative units approved by the Council of Basic Education may constitute and be deemed established as a school district on July 1, [1964] 2006, or on July 1, [1965] 2007, when the following conditions have been satisfied:
(1) All appeals to the State Board of Education from the action of the Council of Basic Education approving the plan of organization of [administrative units] county-wide or regional school districts have been finally determined;
(2) At a regular meeting or at a special meeting called for such purpose, the board of school directors of each school district composing the [administrative unit] county-wide or regional school district has approved by majority vote the
establishment in advance of July 1, [1966] 2008, of the proposed school district contained in the plan of organization of administrative units approved by the Council of Basic Education;
(3) A copy of the resolution of each school district is filed with the Department of [Public Instruction] Education; and
(4) The [Superintendent of Public Instruction] Secretary of Education certifies to the Council of Basic Education that all school districts composing the administrative unit have filed resolutions with the Department of [Public Instruction] Education approving the establishment of the school district in advance of July 1, [1966] 2008. The certification shall state the date when the school district shall be deemed established.
(b) Any school district established in advance of July 1, [1966] 2008, shall be entitled to all the benefits of this act and shall be subject to all of the provisions of this act as if the school district were constituted and deemed established on July 1, [1966] 2008: Provided, however, That in the case of school districts established on July 1, [1964] 2006, the provisions of section 303.1 of this act relating to election of school directors shall be advanced two years: And provided further, That in the case of school districts established on July 1, [1965] 2007, the provisions of section 303.1 of this act shall not be advanced.

Section 25. Section 298 of the act, amended or added August 8, 1963 (P.L.564, No.299) and June 2, 1965 (P.L.86, No.59), is amended to read:

Section 298. Property and Indebtedness and Rental Obligations of Former School Districts.--(a) Except as otherwise provided in this section, all real and personal property, indebtedness and rental obligations to an approved 20050H1722B2189 - 28 -
school building authority or non-profit corporation, if any, of former school districts composing any school district constituted and deemed established pursuant to this subdivision (i) shall become the property, indebtedness and rental obligations of such newly established county-wide or regional school district. All rights of creditors against any of the component former school districts shall be preserved against the newly established school district. All property theretofore vested in the component former school districts shall become vested in the newly established school district, and all debts and taxes owing to the component former school districts, uncollected in the several component former school districts, and all moneys in the treasuries of the component former school districts, shall be paid to the treasurer of the newly established school district.
(b) All obligations of any component former school district [evidenced by funding bonds issued after September 12, 1961,] for the purpose of funding unfunded debt contracted for current operating expenses, shall continue to be an obligation of the taxable property within such former component school district and any sinking fund created on account of such indebtedness shall remain the separate sinking fund for such bonds. In levying and assessing taxes for the first school year of operation, the interim operating committee, and in levying and assessing such taxes for each subsequent school year, the board of school directors of the newly established county-wide or regional school district, shall levy and assess, upon the taxable property within such component former school district for which bonds issued [after September 12, 1961,] for the purpose of funding unfunded debt contracted for current
operating expenses shall be outstanding, a tax in addition to all other school district taxes, in an amount sufficient to discharge the obligation of such component former school district, as set forth pursuant to section 207 of the Municipal Borrowing Law, in the resolution increasing the indebtedness of such component former school district for such purpose. If such funding bonds shall be a part of an issue of bonds issued partly for other purposes, such funding bonds shall be deemed to be the bonds of such issue which mature first.[: Provided, however, if any district of the second, third or fourth class is merged into and becomes part of any district of the first class A as a reorganized or newly established school district, the reorganized or newly established district, for its first year of operation and for every subsequent year, shall levy and assess the aforesaid tax on the territory comprising the district of the second, third or fourth class merged into and becoming a part of the school district of the first class A: Provided further, That by agreement in writing approved by a majority vote of the directors of the district of the second, third or fourth class merged into and becoming a district of the first class A as a reorganized or newly established school district, and the directors of the district of the first class $A$, entered into prior to the effective date of reorganization, the provisions of this subsection may be waived.]

Section 26. Article II of the act is amended by adding a subdivision to read:

## (j) Advisory Committee.

Section 299. Advisory Committee.--(a) Each school district shall establish an advisory committee to provide advice, suggestions or other input relating to curriculum, safety or
case of death or resignation of elected members, the mayor of the most populous municipality contained in such school district shall fill the vacancy from the same school director district in which the vacancy occurred until the first Monday in December following the next municipal primary occurring one hundred twenty days after the vacancy occurred.
(c) Apportionment.
(1) In each school district of the first class A, a school director district apportionment commission shall be constituted for the purpose of establishing an odd number not less than seven nor more than fifteen school director districts within the first class A school district by assigning each election district within such school district into one of such school director districts. The commission shall select that odd number of districts from seven to fifteen which will best provide for racial balance and proportional representation of all segments of the population at the time of the apportionment. Such school director districts shall be compact, contiguous, and as nearly equal in population as practicable.
(2) The commission shall consist of six members, two to be appointed by the mayor of the most populous municipality in such school district, three by the city council of such municipality and one by the mayor of any other municipality in such school district with the approval of the legislative body thereof. The commission shall elect one of its members chairman, and shall act by a majority of its entire membership. If any of the appointing authorities shall fail to make any or all of such appointments within fifteen days after enactment of this act, such appointment or appointments shall be made by the court of common pleas. been duly certified, the commission shall file an apportionment plan with the county board of elections to be submitted to the voters of the district at the next primary election occurring not less than ninety-one days after the plan is filed with the county board and at which primary election the candidates for members of the school board shall be nominated.
(4) No later than September in the second year following the year in which Federal census data is officially gathered, a school director district reapportionment commission shall be appointed. Said reapportionment commission shall consist of seven members, three to be appointed by the mayor of the most populous municipality in the school district, three by the city council of such municipality and one by the mayor of any other municipality of the school district with the approval of the legislative body thereof. The duties of the reapportionment commission shall be, from the official data of the United States Bureau of the Census, to define the lines that divide the existing school director districts to make any new school director districts as nearly equal in population as practicable, and as compact and contiguous as possible, and to best provide for racial balance on the board of school directors of said school district. [The number of school directors or school director districts shall not be increased or decreased.] In addition, the reapportionment commission shall make every effort to maintain neighborhood boundary lines of communities of like interest whenever practicable. Such reapportionment commission shall file its plan no later than ninety days after either the commission has been appointed or the specified population data for the first class A school district as determined by the

Federal decennial census are available, whichever is later in time.
(5) The school district shall appropriate sufficient funds for the compensation and expenses of members and staff appointed by such apportionment and reapportionment commissions, and other necessary expenses. The members of such commissions shall be entitled to such compensation for their services as the school district from time to time shall determine.
(6) If an apportionment or reapportionment plan is not filed by the commission within the time prescribed by this section, the court of common pleas of the county in which the district is located shall immediately proceed on its own motion to apportion or reapportion the school director districts, in accordance with the standards set forth in subsection (c)(4).
(7) Any apportionment or reapportionment plan, filed by any such commission or prepared by the court of common pleas of the county in which the district is located upon the failure of the commission to act shall be published by the county board of elections once in at least one newspaper of general circulation in the most populous municipality of the school district, which publication shall contain a map of the school district showing the complete apportionment or reapportionment of the school director districts. The publication shall also state the population of the school director districts having the smallest and largest population and the percentage variation of such districts from the average population for such districts.
(8) The county board of elections shall place upon the ballot to be submitted to the voters of each first class A school district under the act of June 3, 1937 (P.L.1333, No.320), known as the "Pennsylvania Election Code," the
school districts of the first class A to the extent that they are inconsistent or in conflict herewith. All existing acts or parts of acts and resolutions affecting the organization of first class A school districts not inconsistent or in conflict with the provisions of this section shall remain in full force until modified or repealed as provided by law.
(f) Certain Prohibitions of Service. No superintendent, assistant superintendent, supervising principal, teacher or other employe shall serve either temporarily or permanently as a member of the school board by which employed.
(g) Transition Provisions and Expiration of Existing Terms. The terms of existing appointed board members shall terminate on the first Monday of December in 1976 or in any subsequent year in which the initial elected members are elected, at which time the terms of all members to be elected as herein provided shall be deemed to begin. Thereafter the terms of all elected members shall expire on the first Monday of December in the year in which the length of term to which such members shall have been elected has been served.

Section 29. Section 303 of the act, amended August 8, 1963 (P.L.564, No.299), July 1, 1978 (P.L.575, No.105) and December 17, 1982 (P.L.1378, No.316), is amended to read:

Section 303. Number and Election in Districts of the Second[r] and Third [and Fourth] Classes; Terms of Office.--(a) In each school district of the second class, and on and after July 1, [1966] 2008, or if there is advance establishment July 1, [1964] 2006, or July 1, [1965] 2007, as the case may be, in each school district of the second[r] and third [and fourth] class, there shall be a board of nine (9) school directors, who, except as otherwise provided in this act, shall be elected at

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large for terms of six (6) years. The terms of three of the members shall expire on the first Monday of December of each odd numbered year, as now provided by law. At each municipal election, three school directors, except as otherwise provided in this act, shall be elected at large for terms of six (6) years. Their terms of office shall begin on the first Monday of December following their election. Beginning with the terms to be filled at the municipal election held in [1979] 2007 and each odd numbered year thereafter, the terms of school directors so elected shall be four (4) years, except that at the municipal election in [1983] 2011, five (5) school directors shall be elected for terms of four (4) years and one (1) for a term of two (2) years. At the municipal election in [1985] 2013 and every four (4) years thereafter, four (4) directors shall be elected for terms of four (4) years. At the municipal election in [1987] 2015 and every four (4) years thereafter, five (5) directors shall be elected for terms of four (4) years. The board shall select by lot, prior to the time for filing of nomination petitions, the vacancy that is to be filled for a two (2) year term in [1983] 2011.
(b) (1) The interim operating committee or the board of school directors may develop a plan to elect school directors from regions or to elect some school directors at large and some from regions. Such a plan may also be developed by the resident electors of a school district as provided herein and shall have the same effect as one developed by the board of school directors.
(2) Electors equal to at least twenty-five (25) per centum of the highest vote cast for any school director in the last municipal election may develop a plan to elect school directors 20050H1722B2189 - 39 -
from regions or to elect some school directors from regions and some from the school district at large. Plans proposed by electors shall be subject to the same requirements as plans proposed by the board of school directors.
(3) The boundaries of the regions shall be fixed and established in such manner that the population of each region shall be as nearly equal as possible and shall be compatible with the boundaries of election districts. Such plan for the division of the school district shall be submitted for approval to the court of common pleas. If approved by such court, the clerk thereof shall certify the regional boundaries contained therein to the county board of elections. In the event of any division, redivision, alteration, change or consolidation of election districts which renders regional boundaries incompatible with the boundaries of election districts, a new plan shall be developed and submitted for court approval in like manner. Any proposed change in an approved plan, including abolition of regional representation, shall be submitted for approval to the court of common pleas by the board of school directors, or by a petition of the resident electors within the district. Where a region plan is approved, school directors who reside in each region shall be elected by and from each region. At all times each region shall be represented by directors elected or appointed from that region. Where a combination at large and region plan is approved, all regions shall have an equal number of school directors who reside in each region and who shall be elected or appointed by and from each region. At all times each region shall be represented by a director or directors elected or appointed from that region. All plans shall provide that three school directors shall be elected at each
principle of proportionate representation according to population. If, by reason of failure to receive a majority vote, a tie vote, or otherwise all nine members of the interim operating committee are not selected at such convention, the county superintendent of schools shall call another convention within thirty days for the purpose of selecting the remaining members. If all remaining members are not selected at such second convention the court of common pleas of the proper county, upon the petition of the county superintendent of schools, shall within thirty days appoint to the interim operating committee, from the incumbent school directors, the remaining member or members and specify their terms. The decision of the convention in selecting the interim operating committee, except as hereinbefore provided, shall be final. Six of the members of the interim operating committee shall be selected for a term expiring on the first Monday of December, [1967] 2007; and three for a term expiring on the first Monday of December, [1969] 2009. In the event an incumbent director is selected for a term on the interim operating committee which would expire later than the term for which he was elected as a school director, he shall serve only until the end of his term for which he was elected as a school director. At the municipal elections held in November, [1967] 2007 three members shall be elected for a four-year term and three members shall be elected for a six-year term. Thereafter, all members shall be elected for six-year terms. The school directors elected at the municipal elections held in November, [1967] 2007, and thereafter, shall take the place of the appointed members of the board of school directors of the newly established school district as their terms expire. The members of the interim
operating committee shall become and shall serve as the board of school directors of the school district on and after the date of establishment.
(c) The interim operating committee shall have the power and its duty shall be to meet, prepare and adopt a budget, levy and assess taxes and perform all acts and functions necessary to enable the proposed school district to function properly prior to the date of its establishment. The committee shall have the power to fill vacancies should a deficiency in membership arise due to death, resignation or otherwise: Provided, however, That vacancies shall first be filled by the selection of an incumbent school director, if any.
(d) The incumbent school directors not selected for membership on the interim operating committee shall serve in an advisory capacity to the interim operating committee and to the board of school directors of the newly established school district. Such incumbent school directors may attend meetings and participate in discussions of the interim operating committee and board of school directors, but shall have no vote.
[(e) In the case of a single school district forming an administrative unit approved by the Council of Basic Education to be established as a school district, the incumbent school directors shall be the school directors of the newly established district and the election of school directors at each municipal election subsequent to the date of establishment shall be as provided in section 303 of this act. In the event the number of incumbent school directors is less than nine, the board of school directors on and after the date of establishment shall have the power to raise its membership to nine in the manner now provided by law to fill vacancies on the board.]
(f) The interim operating committee or the board of school directors shall also have the power and its duty shall be to propose a name for the school district to be established. The name proposed shall be reported to the Department of [Public Instruction] Education which shall review the proposed name and approve it if it is not a duplication of a name previously approved by the Department of [Public Instruction] Education. When it approves a name, the Department of [Public Instruction] Education shall issue a certificate stating that the approved name has been registered as the official designation of the school district.

Section 31. Sections 304, 305 and 306 of the act are amended to read:

Section 304. Number and Election in Districts Third Class; Terms of Office.--In each school district of the third class there shall be a board of [seven (7)] nine (9) school directors, who shall be elected at large, and whose terms of office shall be six (6) years. The terms of the members now in office shall expire at the end of the terms for which they were respectively elected. At each of the municipal elections held in November, one thousand nine hundred and forty-nine (1949), and in November. [, one thousand nine hundred and fifty-one (1951), two school directors shall be elected. At the municipal election held in November, one thousand nine hundred and fifty-three (1953), three school directors shall be elected. At each of the first two municipal elections thereafter, two school directors shall be elected. At the third municipal election, three shall be elected. Thereafter, two school directors shall be elected at each of the two succeeding municipal elections, and three at each third municipal election.] All shall be elected at large,
for terms of six years. Their terms of office shall begin on the first Monday of December following their election.
[Section 305. Number and Election in Districts Fourth Class; Terms of Office.--In each school district of the fourth class there shall be a board of five (5) school directors, who shall be elected at large, and whose terms of office shall be six (6) years. The terms of the members now in office shall expire at the end of the terms for which they were respectively elected. At each of the municipal elections held in November, one thousand nine hundred and forty-nine (1949), and in November, one thousand nine hundred fifty-one (1951), two school directors shall be elected. At the municipal election held in November, one thousand nine hundred fifty-three (1953), one school director shall be elected. At each of the first two municipal elections thereafter, two school directors shall be elected. At the third municipal election, one shall be elected. Thereafter, two school directors shall be elected at each of the two succeeding municipal elections, and one at each third municipal election. All shall be elected at large, for terms of six (6) years. Their terms of office shall begin on the first Monday of December following their election.

Section 306. Elections Where District Not Coextensive With, or in More than One City, Borough, Town or Township.--Whenever any school district is not coextensive with a city, borough, incorporated town, or township, the county commissioners shall furnish the proper election officials with a certified list of the qualified electors of such school district and with the necessary ballots to enable such electors to vote on matters pertaining solely to such school district. When such school district lies in two or more cities, boroughs, incorporated
towns, or townships, or any combination thereof, the judge, inspectors, and clerks of each election district within such school district which lies in two or more cities, boroughs, incorporated towns, and townships, or any combination thereof, shall make out a complete return of all the votes given at any election for officers in the school district, or for the submission of any question to the electors of such district, designating the number of votes cast for each person, and for and against each question so submitted to the electors. Whereupon, the judge and inspectors shall appoint one of their number for return judge to meet the other return judge or judges of the school district, on the second day after any such election, at the oldest election place within the district or at such place within the district as shall have been appointed by the court of common pleas. The judges shall then and there add together the number of votes cast for each person voted for, and for and against any question submitted to the electors, and shall make out the returns as the nature of the election may require, complying in all respects with the provisions of existing election laws. After the performance of such duties, the return judges shall appoint one of their number, by consent or lot, to deliver, within two days thereafter, the full returns of the vote for officers, to the prothonotary of the court of common pleas, and of the vote on questions submitted to electors, to the clerk of the court of quarter sessions of the proper county, in the manner now provided by law for making township or borough returns. Such judges shall ascertain and declare the result of such election and shall issue certificates to persons elected to fill such offices, within five (5) days after making such returns.]
this act, the court shall appoint a director or directors, not to exceed three. The term of the directors so appointed shall begin on the date of appointment and shall terminate on the date the transfer to the receiving school district becomes effective. If there reside in the territory of the independent district one or more who are currently serving as school directors, the court shall make its first appointments from that group.

The directors so appointed shall have as their responsibility the right and authority to represent the independent district in all legal activities and conferences to properly effect the transfer of the independent district to the receiving school district.]

Section 35. Section 315 of the act, amended July 8, 1989 (P.L.253, No.43), is amended to read:

Section 315. Filling of Vacancies.--In case any vacancy shall occur in any board of school directors by reason of death, resignation, removal from the district, or otherwise, such vacancy shall, in a school district of the first class, be filled for the unexpired term by the court of common pleas of the county in which such school district is situated from the qualified electors of the district; and in a school district of the second[,] or third[, or fourth] classes, the remaining members of the board of school directors shall, by a majority vote thereof, fill such vacancy from the qualified electors of the district within thirty (30) days thereafter. In a district of the second, third, or fourth class, the person selected to fill such vacancy shall be a qualified elector of the district and shall hold his office, if the term thereof so long continues, until the first Monday of December after the first municipal election occurring more than sixty (60) days after the
vacancy shall have occurred. At such election an eligible person shall be elected for the remainder of the unexpired term. If, by reason of a tie vote or otherwise, such vacancy shall not have been filled by the board of school directors within thirty (30) days after such vacancy shall have occurred from the qualified electors of the district, the court of common pleas of the proper county, upon the petition of ten or more resident taxpayers, shall fill such vacancy by the appointment of a suitable person from the qualified electors of the district if the term of the vacant office so long continues, until the first Monday of December after the first municipal election occurring more than sixty (60) days after the vacancy shall have occurred. At such election an eligible person shall be elected for the remainder of the unexpired term. When any member of a board of school directors heretofore or hereafter enlists or is inducted into the military or naval forces of the United States in time of war, a temporary vacancy shall be declared, which shall be filled by the remaining members of the board or the court, as the case may be from the qualified electors of the district, until the return of such member of the board from the military or naval service, or until the expiration of the term for which he shall have been elected, whichever shall be the shorter period.

Section 36. Section 401 of the act, amended or added December 14, 1967 (P.L.837, No.363) and August 5, 1977 (P.L.178, No.46), is amended to read:

Section 401. Beginning of School Year; Organization Meetings.--
(a) In all school districts of the first class the school year shall begin on the first day of January of each year and
the school directors shall meet and organize annually during the second week of November.
(a.1) In all school districts of the first class A, the school directors shall meet and organize annually during the first week of December.
(b) In all school districts of the second[, third, and fourth] and third class, except as hereinafter provided, the school year shall begin on the first day of July of each year and the school directors shall meet and organize annually during the first week of December.
(c) When a new school district is created, or when the offices of all the school directors of a district become vacant, the school directors appointed by the court, in any such case, shall meet and organize within ten days after their appointment.
(d) When two or more school districts are consolidated in any manner provided in this act and under the provisions of this act the members of the boards of directors of the respective districts continue in office during the respective terms for which they were elected and become the school directors of the consolidated district, they shall organize during the first week of July following such consolidation by electing a president and vice-president who shall hold their respective offices until the first Monday of December following their election, and by the election of a secretary for the consolidated district who shall serve for the remainder of the term for which secretaries are elected, and by the election of a treasurer for the consolidated district who shall hold office for the school year.

Section 37. Section 404 of the act, amended December 14, 1967 (P.L.837, No.363), is amended to read:

Section 404. Districts Second[, Third and Fourth] and Third 20050H1722B2189 - 50 -

Class Permanent Organization; Election of Officers.--In each school district of the second, third and fourth class, the school directors shall effect a permanent organization by electing, during the first week of December, from their members, a president and vice-president, each to serve for one year, and shall annually, during the month of May, elect a treasurer to serve for one year, beginning the first day of July following such election, and shall, during the month of May, [one thousand nine hundred and fifty-three] two thousand and five, and every four years thereafter, elect a secretary for a term of four years, beginning the first day of July following such election. The treasurer may be any corporation duly qualified and legally authorized to transact a fiduciary business in the Commonwealth. Vacancies in the office of secretary shall be filled for the unexpired term. In school districts of the second class the secretary and treasurer shall not be members of the board. In districts of the third and fourth class they may be members of the board. The same person shall not hold at the same time more than one of the offices of president, vice-president, secretary or treasurer of any board of school directors.

No superintendent, assistant superintendent, supervising principal, or teacher shall serve, either temporarily or permanently, as an officer of the school board by which he is employed.

Section 38. Sections 408 and 432 of the act are amended to read:

Section 408. Records, etc., Open to Taxpayers.--The accounts and records of proceedings of the board of every school district of the third [and fourth] class and of their officers shall be open to the inspection of any taxpayer thereof, his, her, or its
agents or representative, upon request therefor, in writing, to the board of school directors at a regular meeting.

Section 432. Compensation.--The secretary of the board of school directors may receive for his services such compensation as the board shall fix, the amount of which shall be reported annually to the [Superintendent of Public Instruction] Secretary of Education and be printed in his report.

Section 39. Section 433 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:

Section 433. Duties.--The secretary of the board of school directors shall perform the following duties:
(1) He shall keep a correct and proper record of all the proceedings of the board, and shall prepare such reports and keep such accounts as are required by the provisions of this act;
(2) He shall after the board has acted on and approved any bill or account for the payment of money authorized by this act, prepare and sign an order on the treasurer for the payment of the same. He may prepare and sign orders on the treasurer for the payment of amounts owing under any contracts which shall previously have been approved by the board, and by the prompt payment of which the district will receive a discount or other advantage, without the approval of the board first having been secured;
(3) He shall attest, in writing, the execution of all deeds, contracts, reports, and other instruments that are to be executed by the board;
(4) He shall furnish, whenever requested, any and all reports concerning the school affairs of the district, on such form, and in such manner, as the State Board of Education or the [Superintendent of Public Instruction] Secretary of Education may require;
(5) He shall have general supervision of all the business affairs of the school district, subject to the instructions and direction of the board of school directors;
(6) He shall be the custodian of all the records, papers, office property, and official seal of the school district, and at the expiration of his term shall turn the same over to his successor;
(7) He shall keep correct accounts with each receiver of taxes, school treasurer, or school tax collector of the district, reporting a statement of the same, together with a statement of the finances of the district, at each regular meeting of the board, which statement shall be entered in full upon the minutes;
(8) He shall perform such other duties pertaining to the business of the district as are required by this act or as the board of school directors may direct.

Section 40. Section 438 of the act is amended to read:
Section 438. Compensation.--School treasurers shall be paid such compensation as the boards of school directors of the respective districts may determine. In all school districts of the second[, third, and fourth] and third class such compensation or commission shall not exceed two per centum of the amount of funds paid out on school orders. No compensation shall be allowed to any school treasurer on account of any balance in his hands paid over to his successor, nor for the repayment of any loan or redemption of bonds, whether upon order or otherwise. The compensation received by each school treasurer for the preceding year shall be reported annually to the 20050H1722B2189 - 53 -
[Superintendent of Public Instruction] Secretary of Education, and be printed in his report.

Section 41. Section 440.1 of the act, amended July 1, 1981 (P.L.200, No.62) and June 30, 1995 (P.L.220, No.26), is amended to read:

Section 440.1. Investment of School District Funds.--(a) The board of school directors in any school district of the first class, first class $A$, second[, third or fourth] and third class shall invest school district funds consistent with sound business practice.
(b) The board of school directors shall provide for an investment program subject to restrictions contained in this act and in any other applicable statute and any rules and regulations adopted by the board.
(c) Authorized types of investments for school district funds shall be:
(i) United States Treasury bills.
(ii) Short-term obligations of the United States Government or its agencies or instrumentalities.
(iii) Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
(iv) Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of

Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.
(v) Shares of an investment company registered under the Investment Company Act of 1940 (54 Stat. 789, 15 U.S.C. § 80a-1 et seq.), whose shares are registered under the Securities Act of 1933 (48 Stat. 74,15 U.S.C. $\$ 77 a$ et seq.) : Provided, That the following are met:
(A) Only investments of that company are in the authorized investments for school district funds listed in clauses (i) through (iv) and repurchase agreements fully collateralized by such investments.
(B) The investment company is managed so as to maintain its shares at a constant net asset value in accordance with 17 CFR 270 2a-7 (relating to money market funds).
(C) The investment company is rated in the highest category by a nationally recognized rating agency.
(d) In making investments of funds, the board shall have authority:
(i) To permit assets pledged as collateral under subsection (c) (iii), to be pooled in accordance with the act of August 6, 1971 (P.L.281, No.72), relating to pledges of assets to secure deposits of public funds.
(ii) To combine moneys from more than one fund under school district control for the purchase of a single investment, provided that each of the funds combined for the purpose shall be accounted for separately in all respects and that the earnings from the investment are separately and individually 20050 H1722B2189 - 55 -
computed and recorded, and credited to the accounts from which the investment was purchased.
(e) Any such purchase or sale shall be made by the treasurer of the school district on a resolution adopted by the board of school directors.

Section 42. Section 519 of the act, is amended to read:
Section 519. Copies of School Laws.--The [Superintendent of Public Instruction] Secretary of Education shall send to each member of every board of school directors in the State, a bound copy of each new edition of the School Laws, as soon as possible after the same shall have been published.

Section 43. Section 520 of the act, amended January 14, 1970 (1969 P.L.468, No.192), is amended to read:

Section 520. Temporary Emergency War Provisions.--(a) Whenever, during the continuance of any war in which this Nation is or may become engaged, it shall be found as a fact by the board of school directors of any school district and so recorded on the minutes of a regular or special meeting of such board and certified to the Department of [Public Instruction] Education, that the normal operation of the schools, as required by this act, in respect to any of the matters hereinafter set forth, shall interfere with the prosecution of such war, such board of school directors shall have power to put into operation in such school district any one or more temporary emergency war provisions authorized by this act, but in no event longer than for a period of one year after the cessation of the hostilities of such war.
(b) Subject to the foregoing provisions, any board of school directors may--
(1) Keep the schools of the district in session such days
and number of days per week as they shall deem necessary or desirable, but the provisions of this act requiring a minimum of one hundred eighty (180) session days as a school year shall not be affected thereby;
(2) Extend the length of the school days in such manner as to make it possible to complete and to accredit a calendar day as a full school day and a fractional portion of an additional school day;
(3) Suspend temporarily the regular session of any class or classes, or close temporarily any school or all the schools of the district as an emergency war measure, or when the Governor by proclamation so directs. The days on which the regular sessions of classes or schools are so suspended or closed shall be recorded and credited as if they were days taught: Provided, That in no instance shall the session so suspended or closed exceed thirty school days during any school term for any pupil except by special wartime emergency proclamation by the Governor;
(4) Adjust the assignment and reassignment of teachers in such fields, subjects, schedules and semesters or other periods of work and in such schools as their preparation, experience and certification may qualify them. No such temporary emergency assignment or reassignment shall reduce the annual compensation any teacher receives at the time of such assignment or reassignment, nor shall the emergency assignment, reassignment or the return to the original type of assignment when the emergency has ended be deemed to be a demotion under the tenure provisions of this act;
(5) Grant farm and conservation employment permits to pupils who have attained the age of fourteen years and have completed
the sixth grade or equivalent thereof, and to enable group participation by pupils regularly enrolled in schools in seasonal farm and conservation activities. The word "conservation" as used in this clause shall mean the conserving, preserving, guarding or protecting of crops, forests and rivers;
(6) Accept the certification of the family physician of any child as satisfactory proof of suitable physical condition for the issuance of any farm or conservation permit granted during the period of emergency;
(7) Make such arrangements for extending the use of school buses or other school transportation facilities as may seem desirable for the transportation of teachers, as well as pupils, or for otherwise furthering the war and civilian defense effort;
(8) Provide, in lieu of pupil transportation required by law, tuition to a school in another district, when educational facilities can thus be made available, without requiring such pupils to walk more than two miles to the school to which the pupil has been assigned. The above provisions shall also apply in any case where the Department of [Public Instruction] Education determines that a revision of existing transportation practices will result in the more economical use of school facilities and the conservation of transportation equipment;
(9) Obtain the full State subsidy provided for fully and regularly certificated teachers when, at the request of the responsible school district, the Superintendent of Public Instruction has issued to a teacher temporarily employed, a special emergency wartime certificate to teach in the subject or field for which wartime emergency conditions make it necessary to employ such teacher.

Section 44. Section 520.1 of the act, added January 14, 1952
(1951 P.L. 1940, No.541), is amended to read:
Section 520.1. Temporary Emergency Provisions.--(a) Whenever an emergency shall arise which the board of school directors of any school district in the performance of its duties could not anticipate or foresee, and which emergency shall result in any such school district being unable to provide for the attendance of all pupils during the prescribed length of school days, number of days per week, or usual hours of classes, it shall be found as a fact by the school directors of any school district and so recorded on the minutes of a regular or special meeting of such board and certified to the Superintendent of [Public Instruction] Education, and such board of school directors, subject to the approval of the Superintendent of [Public Instruction] Education, shall have power to put into operation in such school district any one or more of the temporary provisions hereinafter provided for, but in no event shall such temporary provisions remain in effect for a period of more than four years after they are first put into effect.
(b) Subject to the foregoing provisions, any board of school directors may:
(1) Keep the schools of the district in session such days and number of days per week as they shall deem necessary or desirable, but the provisions of this act requiring a minimum of one hundred eighty (180) session days as a school year shall not be affected thereby.
(2) Reduce the length of time of daily instruction for various courses and classes.
(c) Any school district, by invoking the powers herein granted, shall not thereby forfeit its right to reimbursement by
the Commonwealth or other State-aid as otherwise provided for by this act.

Section 45. Section 523 of the act, amended September 12, 1961 (P.L.1272, No.558), January 14, 1970 (1969 P.L.468, No.192) and November 2, 1973 (P.L.321, No.103), is amended to read:

Section 523. Educational Broadcasting.--
(a) The State Board of Education shall adopt and amend, when necessary, a State Plan for Educational Broadcasting. The State plan shall provide for the development of educational broadcasting facilities in the Commonwealth and shall define educational broadcasting service areas which shall be served by specified broadcasting centers. The Department of Education shall promulgate regulations to implement the State plan. Prior to adoption or amendment of the State plan, the board shall submit the plan to the Pennsylvania Public Television Network Commission and receive its comments thereon.
(b) The board of school directors of any school district may enter into an agreement or agreements with one or more school districts and/or intermediate units and/or with other educational institutions or agencies and/or with non-profit organizations for the joint operation of an educational television and/or radio station. In the case where the members of the board of school directors and/or intermediate unit board of directors are members of any non-profit community corporation holding a valid Federal Communications Commission broadcasting license for a television and/or radio station, these non-profit community corporations which are a part of the State Plan for Educational Broadcasting, may enter into contracts with the State Public School Building Authority for the purpose of constructing, improving, maintaining, operating, furnishing and 20050H1722B2189 - 60 -
union districts, and any boards of school directors establishing any joint school or department, shall not close any school or department during the school term, unless such action shall advance the orderly development of attendance areas within an approved administrative unit and has been approved by the Department of [Public Instruction] Education. In the event a school board shall determine prior to the beginning of the next school term to close any school or department, sixty (60) days' notice, in writing, prior to the closing of any school or department, shall be given to all temporary professional and professional employes affected thereby, unless such action shall advance the orderly development of attendance areas within an approved administrative unit and has been approved by the Department of [Public Instruction] Education. Upon failure to give written notice of intention to close any school or department, the school district shall pay such employes their salaries until the end of the school year during which such schools or departments were closed.

Temporary professional or professional employes, whose positions are abolished as a result of the action of the board of school directors in closing a school or department, or reassigning pupils in its effort to consummate partially or wholly the orderly development of approved administrative and attendance areas, may not be suspended until the end of the school year if such action is taken during the school year or later than sixty (60) days prior to the opening of the next school term.

The payment of salary to any temporary professional or professional employe shall be discontinued immediately, if such employe obtains other employment which, in the judgment of the 20050H1722B2189 - 62 -
board of school directors, could not have been obtained or held if such school or department had not been closed: Provided, however, That if the salary in the new position is less than the salary the professional employe would have received had he remained in the employment of the school district, the school district shall be liable for the difference.

Section 47. Section 525 of the act, amended October 21, 1965 (P.L.601, No.312), is amended to read:

Section 525. Establishment and Operation of Educational Television and Broadcasting Facilities.--Whenever funds become available from any source whatever for the purpose of (1) establishing and where necessary operating such pilot educational television projects, (2) purchasing, producing and contracting for the purchase or production of tapes, films and recordings for educational broadcasting, (3) making special grants to school districts, county boards of school directors and State colleges for educational broadcasting services procured by them where it is determined by the Department of [Public Instruction] Education that the awarding of such special grants will materially encourage the use of educational television facilities, (4) establishing educational television facilities in accordance with the State plan for educational broadcasting, and (5) establishing network facilities to link educational broadcasting facilities as may be required by the State plan for educational broadcasting or any of these purposes, the Department of [Public Instruction] Education may expend such funds for such purpose or purposes in amounts to be determined by the Department of [Public Instruction] Education in accordance with policies approved by the State Board of Education. This section shall not be construed to authorize the
expenditure of any State funds for such purposes unless specifically appropriated by the General Assembly.

Section 48. Section 1361 of the act, amended May 11, 1979 (P.L.26, No.7), is amended to read:

Section 1361. When Provided.--(1) The board of school directors in any school district may, out of the funds of the district, provide for the free transportation of any resident pupil to and from the kindergarten, elementary school, or secondary school in which he is lawfully enrolled, provided that such school is not operated for profit and is located within the district boundaries or outside the district boundaries at a distance not exceeding [ten] twenty miles by the nearest public highway, except that [such ten-mile] the limit shall not apply to area vocational technical schools which regularly serve eligible district pupils or to special schools and classes approved by the Department of Education, and to and from any points within or without the Commonwealth in order to provide field trips for any purpose connected with the educational pursuits of the pupils. When provision is made by a board of school directors for the transportation of public school pupils to and from such schools or to and from any points within or without the Commonwealth in order to provide field trips as herein provided, the board of school directors shall also make identical provision for the free transportation of pupils who regularly attend nonpublic kindergarten, elementary and high schools not operated for profit to and from such schools or to and from any points within or without the Commonwealth in order to provide field trips as herein provided. Such transportation of pupils attending nonpublic schools shall be provided during regular school hours on such dates and periods that the
nonpublic school not operated for profit is in regular session, according to the school calendar officially adopted by the directors of the same in accordance with provisions of law. The board of school directors shall provide such transportation whenever so required by any of the provisions of this act or of any other act of Assembly.
(2) The board of school directors in any school district may, if the board deems it to the best interest of the school district, for the purposes of transporting pupils as required or authorized by any of the provisions of this act or of any other act of the Assembly, appropriate funds for urban common carrier mass transportation purposes from current revenues to urban common carrier mass transportation authorities to assist the authorities to meet costs of operation, maintenance, capital improvements, and debt service. Said contributions shall not be subject to reimbursement by the Commonwealth of Pennsylvania.
(3) The State Board of Education shall adopt regulations, including qualifications of school bus drivers, to govern the transportation of school pupils.

Section 49. This act shall take effect in 60 days.

