

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1307 Session of 2011

INTRODUCED BY MILNE, BOYD, CALTAGIRONE, CLYMER, COHEN, D. COSTA, DAY, GABLER, GINGRICH, HALUSKA, KAVULICH, MAJOR, MILLARD, MOUL, MUNDY, MURT, PAYTON, PEIFER, PICKETT, PYLE, RAPP, REICHLEY, ROSS, SCHRODER, SONNEY, THOMAS, TOEPEL AND WAGNER, APRIL 7, 2011

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 23, 2011

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," FURTHER PROVIDING FOR DISTRESS IN
6 SCHOOL DISTRICTS OF THE FIRST CLASS; in intermediate units,
7 further providing for subsidies for services and, for
8 financial reports AND FOR SUPERINTENDENTS' SALARIES; AND
9 PROVIDING FOR WEARING OF MILITARY UNIFORM AT GRADUATION
10 CEREMONY AND FOR AUDITS OF SCHOOL DISTRICTS.



11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 ~~Section 1. Section 907 A of the act of March 10, 1949~~
14 ~~(P.L.30, No.14), known as the Public School Code of 1949, added~~
15 ~~May 4, 1970 (P.L.311, No.102), is amended to read:~~



16 SECTION 1. SECTION 696(I) (3) OF THE ACT OF MARCH 10, 1949
17 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949,
18 AMENDED OCTOBER 30, 2001 (P.L.828, NO.83), IS AMENDED TO READ:



19 SECTION 696. DISTRESS IN SCHOOL DISTRICTS OF THE FIRST
20 CLASS.--* * *

1 (I) IN ADDITION TO ALL POWERS GRANTED TO THE SUPERINTENDENT
2 BY LAW AND A SPECIAL BOARD OF CONTROL UNDER SECTION 693 AND
3 NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE SCHOOL REFORM
4 COMMISSION SHALL HAVE THE FOLLOWING POWERS:

5 * * *

6 (3) TO SUSPEND THE REQUIREMENTS OF THIS ACT AND REGULATIONS
7 OF THE STATE BOARD OF EDUCATION EXCEPT THAT THE SCHOOL DISTRICT
8 SHALL REMAIN SUBJECT TO THOSE PROVISIONS OF THIS ACT SET FORTH
9 IN SECTION 1075, SECTION 1732-A(A), (B) AND (C) AND SECTION
10 1714-B AND REGULATIONS UNDER THOSE SECTIONS.

11 * * *

12 SECTION 2. SECTION 907-A OF THE ACT, ADDED MAY 4, 1970
13 (P.L.311, NO.102), IS AMENDED TO READ:

14 Section 907-A. Subsidies for Services.--(a) Intermediate
15 units shall receive subsidies from the Commonwealth as herein
16 provided only for services performed pursuant to and authorized
17 by law, as hereinafter provided. Nothing contained herein shall
18 prohibit intermediate units from receiving funds from school
19 districts and other sources including nonpublic nonprofit
20 schools and expending such funds to provide additional services
21 not included in the approved program of services.

22 (b) (1) No later than February 1, 2012, and each year
23 thereafter, the Department of Education shall prepare a report
24 on subsidies and funds received under this section. The report
25 shall include, but not be limited to, the following information:

26 (i) A listing of all contracts, interagency agreements and
27 purchase orders executed by a Commonwealth agency with each
28 intermediate unit and between intermediate units.

29 (ii) The total amount, including annual amount for any
30 multiyear contract, agreement or purchase order, and the

1 duration of each.

2 (iii) The source and amount of funding to cover the entire
3 cost of the contract.

4 (iv) A description of programs and services being provided,
5 including performance measures by which each intermediate unit
6 will be assessed and penalties for nonperformance, if any.

7 (v) A description of the selection process used in entering
8 into the arrangement.

9 (vi) The number of all employes, contractors and agents
10 covered under the contracts and the remuneration provided under
11 the contract.

12 (2) The Department of Education shall develop the format to
13 be used by the intermediate unit in the collection of the
14 information specified in paragraph (1).

15 (3) The Department of Education shall post the reports on
16 the department's Internet website.

17 (4) The report submitted in 2011-2012 shall cover fiscal
18 years 2009-2010 and 2010-2011. Future reports shall cover the
19 previous fiscal year.

20 Section 2 3. Section 921-A of the act is amended by adding a ←
21 subsection to read:

22 Section 921-A. Financial Reports.--* * *

23 (a.1) The Department of Education shall post on its Internet
24 website, in the format consistent with those already posted for
25 the other local education agencies, information included in the
26 intermediate units' annual financial report.

27 * * *

28 SECTION 4. SECTION 1075 OF THE ACT, AMENDED JANUARY 14, 1970 ←
29 (1969 P.L.468, NO.192), IS AMENDED TO READ:

30 SECTION 1075. SALARY.--(A) THE BOARD OF SCHOOL DIRECTORS AT

1 ANY CONVENTION ELECTING A DISTRICT SUPERINTENDENT OR AN
2 ASSISTANT DISTRICT SUPERINTENDENT SHALL DETERMINE THE AMOUNT OF
3 SALARY TO BE PAID SUCH DISTRICT SUPERINTENDENT OR ASSISTANT
4 DISTRICT SUPERINTENDENT WHICH COMPENSATION SHALL BE PAID OUT OF
5 THE FUNDS OF THE DISTRICT. IF A DISTRICT SUPERINTENDENT OR AN
6 ASSISTANT DISTRICT SUPERINTENDENT IS EMPLOYED IN A JOINT SCHOOL
7 SYSTEM INCLUDING KINDERGARTEN OR GRADES 1 TO 12, HIS SALARY
8 SHALL BE FIXED BY A MAJORITY VOTE OF ALL THE SCHOOL DIRECTORS IN
9 THE DISTRICTS OPERATING THE JOINT SCHOOL SYSTEMS, AND SHALL BE
10 PAID BY THE DISTRICTS IN THE SAME PROPORTIONS AS THEY CONTRIBUTE
11 TO THE SUPPORT OF THE JOINT SCHOOL.

12 (B) DISTRICT SUPERINTENDENTS AND ASSISTANT DISTRICT
13 SUPERINTENDENTS SHALL BE ENTITLED TO THE FOLLOWING MINIMUM
14 ANNUAL SALARIES:

15 (1) ASSISTANT DISTRICT SUPERINTENDENTS HAVING LESS THAN ONE
16 HUNDRED (100) TEACHERS UNDER THEIR SUPERVISION, NINE THOUSAND
17 DOLLARS (\$9,000).

18 (2) ASSISTANT DISTRICT SUPERINTENDENTS HAVING ONE HUNDRED
19 (100) TEACHERS OR MORE BUT LESS THAN THREE HUNDRED (300)
20 TEACHERS UNDER THEIR SUPERVISION, TEN THOUSAND DOLLARS
21 (\$10,000).

22 (3) ASSISTANT DISTRICT SUPERINTENDENTS HAVING THREE HUNDRED
23 (300) OR MORE TEACHERS UNDER THEIR SUPERVISION, ELEVEN THOUSAND
24 DOLLARS (\$11,000).

25 (4) DISTRICT SUPERINTENDENTS HAVING LESS THAN ONE HUNDRED
26 (100) TEACHERS UNDER THEIR SUPERVISION, THIRTEEN THOUSAND
27 DOLLARS (\$13,000).

28 (5) DISTRICT SUPERINTENDENTS HAVING ONE HUNDRED (100)
29 TEACHERS OR MORE BUT LESS THAN THREE (300) TEACHERS UNDER THEIR
30 SUPERVISION, FOURTEEN THOUSAND DOLLARS (\$14,000).

1 (6) DISTRICT SUPERINTENDENTS HAVING THREE HUNDRED (300) OR
2 MORE TEACHERS UNDER THEIR SUPERVISION, FIFTEEN THOUSAND DOLLARS
3 (\$15,000).

4 (C) EXCEPT AS PROVIDED UNDER SUBSECTION (B), DISTRICT
5 SUPERINTENDENTS AND ASSISTANT DISTRICT SUPERINTENDENTS OF A
6 SCHOOL DISTRICT THAT HAS BEEN ISSUED A CERTIFICATION DECLARING
7 THE SCHOOL DISTRICT IN FINANCIAL DISTRESS UNDER SECTION 691 MAY
8 NOT RECEIVE:

9 (1) ANY FORM OF ANNUAL COMPENSATION EXCEPT FOR AN ANNUAL
10 SALARY. FOR THE PURPOSES OF THIS PARAGRAPH, ANNUAL COMPENSATION
11 SHALL INCLUDE BONUSES, INCENTIVE PAYMENTS AND ANY OTHER TYPE OF
12 COMPENSATION. ANNUAL COMPENSATION SHALL NOT INCLUDE MEDICAL
13 BENEFITS OR A SEVERANCE PAYMENT IF THE DISTRICT SUPERINTENDENT
14 OR ASSISTANT DISTRICT SUPERINTENDENT IS NOT TERMINATED.

15 (2) ANY TYPE OF SEVERANCE PAYMENT IF THE DISTRICT
16 SUPERINTENDENT OR ASSISTANT DISTRICT SUPERINTENDENT WAS
17 TERMINATED.

18 SECTION 5. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

19 SECTION 1616. WEARING OF MILITARY UNIFORM AT GRADUATION
20 CEREMONY.--A STUDENT SHALL HAVE THE RIGHT TO WEAR A DRESS
21 UNIFORM ISSUED TO THE STUDENT BY A BRANCH OF THE UNITED STATES
22 ARMED FORCES WHILE PARTICIPATING IN THE GRADUATION CEREMONY FOR
23 THE STUDENT'S HIGH SCHOOL IF THAT STUDENT MEETS THE FOLLOWING
24 REQUIREMENTS:

25 (1) THE STUDENT HAS FULFILLED ALL OF THE REQUIREMENTS FOR
26 RECEIVING A HIGH SCHOOL DIPLOMA IN THIS COMMONWEALTH AND IS
27 OTHERWISE ELIGIBLE TO PARTICIPATE IN THE GRADUATION CEREMONY.

28 (2) THE STUDENT HAS COMPLETED BASIC TRAINING FOR, AND IS AN
29 ACTIVE MEMBER OF, A BRANCH OF THE UNITED STATES ARMED FORCES.

30 SECTION 2411. AUDITS OF SCHOOL DISTRICTS.--THE DEPARTMENT OF

1 THE AUDITOR GENERAL SHALL, EVERY FOUR YEARS, HAVE THE POWER, AND
2 ITS DUTY SHALL BE, TO AUDIT THE FINANCIAL ACCOUNTS AND RECORDS
3 OF EACH SCHOOL DISTRICT THAT HAS BEEN ISSUED A CERTIFICATION
4 DECLARING THE SCHOOL DISTRICT IN FINANCIAL DISTRESS UNDER
5 SECTION 691 THAT RECEIVES AN APPROPRIATION OF MONEY, PAYABLE OUT
6 OF ANY FUND IN THE STATE TREASURY, OR ENTITLED TO RECEIVE ANY
7 PORTION OF ANY STATE TAX FOR ANY PURPOSE WHATSOEVER, AS FAR AS
8 MAY BE NECESSARY TO SATISFY THE DEPARTMENT OF THE AUDITOR
9 GENERAL THAT THE MONEY RECEIVED WAS EXPENDED OR IS BEING
10 EXPENDED FOR NO PURPOSE OTHER THAN THAT FOR WHICH IT WAS PAID.

11 IF AT ANY TIME THE DEPARTMENT OF THE AUDITOR GENERAL SHALL
12 FIND THAT ANY MONEY RECEIVED BY A SCHOOL DISTRICT THAT HAS BEEN
13 ISSUED A CERTIFICATION DECLARING THE SCHOOL DISTRICT IN
14 FINANCIAL DISTRESS UNDER SECTION 691 HAS BEEN EXPENDED FOR ANY
15 PURPOSE OTHER THAN THAT FOR WHICH IT WAS PAID, IT SHALL NOTIFY
16 THE DEPARTMENT OF EDUCATION WITHIN NINETY DAYS OF THE FINDING,
17 AND SHALL DECLINE TO APPROVE ANY FURTHER REQUISITION FOR THE
18 PAYMENT OF ANY APPROPRIATION, OR ANY FURTHER PORTION OF ANY
19 STATE TAX, TO THE SCHOOL DISTRICT, UNTIL AN AMOUNT EQUAL TO THAT
20 IMPROPERLY EXPENDED SHALL HAVE BEEN EXPENDED FOR THE PURPOSE FOR
21 WHICH THE MONEY IMPROPERLY EXPENDED WAS RECEIVED FROM THE STATE
22 TREASURY.

23 THE TREASURY DEPARTMENT SHALL SUBMIT, AT LEAST ANNUALLY, TO
24 THE DEPARTMENT OF THE AUDITOR GENERAL, ITS LISTING OF
25 APPROPRIATIONS MADE TO EACH SCHOOL DISTRICT AND THE FUND OR
26 ACCOUNT FROM WHICH THE APPROPRIATION WAS RELEASED.

27 SECTION 6. THE AMENDMENT OF SECTION 1075 OF THE ACT SHALL
28 APPLY TO A CONTRACT SETTING THE COMPENSATION OF A DISTRICT
29 SUPERINTENDENT OR ASSISTANT DISTRICT SUPERINTENDENT OF A SCHOOL
30 DISTRICT THAT HAS BEEN ISSUED A CERTIFICATION DECLARING THE

1 SCHOOL DISTRICT IN FINANCIAL DISTRESS UNDER SECTION 691 ENTERED
2 INTO OR RENEWED ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

3 Section 3 7. This act shall take effect in 60 days.

