
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1517 Session of
2011

INTRODUCED BY BISHOP, ROEBUCK, STURLA, PAYTON, MCGEEHAN,
YOUNGBLOOD, WATERS, WILLIAMS, COHEN AND BROWNLEE,
MAY 10, 2011

REFERRED TO COMMITTEE ON EDUCATION, MAY 10, 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," exempting first class school
6 districts from provisions on distress.

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

9 Section 1. Section 696 of the act of March 10, 1949 (P.L.30,
10 No.14), known as the Public School Code of 1949, amended June
11 22, 2001 (P.L.530, No.35), October 30, 2001 (P.L.828, No.83),
12 and June 29, 2002 (P.L.524, No.88), is amended to read:

13 Section 696. Distress in School Districts of the First
14 Class.--(a) Within thirty (30) days of a declaration by the
15 Secretary of Education that a school district of the first class
16 is distressed under section 691(c), a School Reform Commission
17 shall be established consisting of four members initially
18 appointed by the Governor and one member initially appointed by
19 the mayor of the city coterminous with the school district. The

1 School Reform Commission shall be an instrumentality of a school
2 district of the first class, exercising the powers of the board
3 of school directors. The Governor shall appoint a chairman of
4 the School Reform Commission. At least three of the commission
5 members, including the member appointed by the mayor, must be
6 residents of the school district.

7 (b) Membership of the School Reform Commission shall be as
8 follows:

9 (1) Members appointed pursuant to this section shall serve
10 terms as follows:

11 (i) Two of the members appointed by the Governor shall serve
12 initial terms of seven (7) years.

13 (ii) One of the members appointed by the Governor shall
14 serve an initial term of five (5) years.

15 (iii) One of the members appointed by the Governor shall
16 serve an initial term of three (3) years. Upon the expiration of
17 the initial term of this member, the mayor shall appoint an
18 individual to fill this position.

19 (iv) The member appointed by the mayor shall serve an
20 initial term of three (3) years.

21 (v) After the expiration of each initial term:

22 (A) Members appointed by the Governor under subclauses (i)
23 and (ii) shall be appointed for a term of five (5) years.

24 (B) Members appointed by the mayor under subclauses (iii)
25 and (iv) shall be appointed for a term of four (4) years.

26 (2) Except as authorized in this subsection, no commission
27 member may be removed from office during a term. The Governor
28 may, upon proof by clear and convincing evidence of malfeasance
29 or misfeasance in office, remove a commission member prior to
30 the expiration of the term. Before a commission member is

1 removed, that member must be provided with a written statement
2 of the reasons for removal and an opportunity for a hearing in
3 accordance with 2 Pa.C.S. Ch. 5 Subch. A (relating to practice
4 and procedure of Commonwealth agencies) and Ch. 7 Subch. A
5 (relating to judicial review of Commonwealth agency action).

6 (3) Upon the expiration of term or the occurrence of a
7 vacancy in the office of a commission member appointed by the
8 Governor, the Governor shall appoint, with the consent of a
9 majority of the members elected to the Senate, the successor
10 member. Upon the expiration of term or the occurrence of a
11 vacancy in the office of a commission member appointed by the
12 mayor, the mayor shall appoint the successor member. An
13 appointment to fill a vacancy shall be for the balance of the
14 unexpired term.

15 (4) A commission member shall hold office until a successor
16 has been appointed and qualified.

17 (5) A commission member may serve successive terms.

18 (6) No commission member may, while in the service of the
19 School Reform Commission, seek or hold a position as any other
20 public official within this Commonwealth or as an officer of a
21 political party.

22 (7) Commission members shall be reimbursed for reasonable
23 and necessary expenses incurred in the performance of their
24 official duties from funds of the school district. (b.1) Actions
25 of the School Reform Commission shall be by a majority vote. A
26 majority of the commission members appointed shall constitute a
27 quorum.

28 (b.2) Upon the issuance of a declaration by the Secretary of
29 Education that a school district of the first class is
30 distressed under section 691(c), the Governor shall appoint an

1 interim chairman of the School Reform Commission, who shall have
2 the full power and authority of the School Reform Commission.
3 The interim chairman shall serve for a term not to exceed thirty
4 (30) days. The interim chairman may be appointed to the School
5 Reform Commission pursuant to this section.

6 (c) The School Reform Commission may suspend or dismiss the
7 superintendent or any person acting in an equivalent capacity.

8 (e) The following shall apply:

9 (1) The School Reform Commission shall be responsible for
10 the operation, management and educational program of the school
11 district of the first class. The powers and duties of the board
12 of school directors of a school district of the first class
13 shall be suspended. All powers and duties granted heretofore to
14 the board of school directors of a school district of the first
15 class under this act or any other law, including its authority
16 to levy taxes and incur debt, shall be vested in the School
17 Reform Commission until the Secretary of Education issues a
18 declaration under subsection (n).

19 (2) The School Reform Commission may enter into agreements
20 necessary to provide for the operation, management and
21 educational programs of the school district of the first class.
22 The agreements shall include appropriate fiscal and academic
23 accountability measures. Academic accountability measures shall
24 include:

25 (i) Strategic goals and objectives for improving academic
26 performance.

27 (ii) Methods setting forth how the strategic goals and
28 objectives are to be achieved and the specific methodology for
29 evaluating results.

30 (h) The School Reform Commission shall be responsible for

1 financial matters related to the distressed school district of
2 the first class and:

3 (1) All taxes authorized to be levied by a school district
4 of the first class or for a school district of the first class
5 by a city or county of the first class on the date of the
6 declaration of distress shall continue to be authorized and
7 levied in accordance with this act and shall be transmitted to
8 the school district. For the first fiscal year or part thereof
9 and every fiscal year thereafter in which the school district is
10 declared to be distressed, the amount appropriated or paid by
11 the city or county to the school district and the tax authorized
12 by the city or county to be levied for the school district or
13 dedicated to the school district shall be an amount or tax not
14 less than the highest amount paid by the city or county to the
15 school district or authorized by the city or county to be levied
16 for the school district or dedicated to the school district
17 during any of the three full preceding fiscal years. In
18 addition, the city of the first class shall provide to the
19 school district of the first class all other available local
20 non-tax revenue, including grants, subsidies or payments made
21 during the prior year.

22 (2) In addition to the moneys collected under paragraph (1),
23 the city of the first class shall remit to the school district
24 of the first class for each year that the school district is
25 declared distressed that portion of all other local tax revenue
26 levied for a full fiscal year by a city or county of the first
27 class coterminous with a school district of the first class that
28 was allocated to the school district prior to the school
29 district being declared distressed in accordance with section
30 691(c).

1 (3) All taxes collected on behalf of a school district of
2 the first class by any person or entity, including a city or
3 county of the first class, shall be promptly paid following
4 collection to the School Reform Commission for the benefit of
5 the school district.

6 (4) In the event the city or county of the first class does
7 not meet the financial obligations prescribed in this
8 subsection, the Commonwealth may apply to that obligation any
9 amounts otherwise due from the Commonwealth to the city or
10 county of the first class, including, but not limited to,
11 grants, awards and moneys collected by the Commonwealth on
12 behalf of the city or county of the first class. Funds withheld
13 shall be maintained in a separate account by the State Treasurer
14 to be disbursed as determined by the Secretary of Education in
15 consultation with the State Treasurer.

16 (5) The School Reform Commission shall adopt a budget.

17 (i) In addition to all powers granted to the superintendent
18 by law and a special board of control under section 693 and
19 notwithstanding any other law to the contrary, the School Reform
20 Commission shall have the following powers:

21 (1) To appoint such persons and other entities as needed to
22 conduct fiscal and performance audits and other necessary
23 analyses.

24 (2) To enter into agreements with persons or for-profit or
25 nonprofit organizations to operate one or more schools. A school
26 operated under this clause shall be funded in accordance with
27 the terms of the agreement.

28 (i) All applications to operate a charter school in a school
29 year after a declaration of distress is issued and all charter
30 schools established after a declaration of distress is issued

1 shall not be subject to sections 1717-A(b), (c), (d), (e), (f),
2 (g), (h) and (i), 1722-A(c) and 1724-A.

3 (ii) The School Reform Commission may suspend or revoke a
4 charter pursuant to section 1729-A.

5 (3) To suspend the requirements of this act and regulations
6 of the State Board of Education except that the school district
7 shall remain subject to those provisions of this act set forth
8 in section 1732-A(a), (b) and (c) and section 1714-B and
9 regulations under those sections.

10 (4) To employ professional and senior management employes
11 who do not hold State certification if the School Reform
12 Commission has approved the qualifications of the person at a
13 salary established by the commission.

14 (5) To enter into agreements with persons or for-profit or
15 nonprofit organizations providing educational or other services
16 to or for the school district. Services provided under this
17 clause shall be funded in accordance with the terms of the
18 agreement.

19 (6) Notwithstanding any other provisions of this act, to
20 close or reconstitute a school, including the reassignment,
21 suspension or dismissal of professional employes.

22 (7) To suspend professional employes without regard to the
23 provisions of section 1125.1.

24 (8) To appoint managers, administrators or for-profit or
25 nonprofit organizations to oversee the operations of a school or
26 group of schools within the school district.

27 (9) To reallocate resources, amend school procedures,
28 develop achievement plans and implement testing or other
29 evaluation procedures for educational purposes.

30 (10) To supervise and direct principals, teachers and

1 administrators.

2 (11) To negotiate any memoranda of understanding under the
3 collective bargaining agreement in existence on the effective
4 date of this section.

5 (12) To negotiate a new collective bargaining agreement.

6 (13) To delegate to a person, including an employe of the
7 school district or a for-profit or nonprofit organization,
8 powers it deems necessary to carry out the purposes of this
9 article, subject to the supervision and direction of the School
10 Reform Commission.

11 (14) To employ, contract with or assign persons or for-
12 profit or nonprofit organizations to review the financial and
13 educational programs of school buildings and make
14 recommendations to the School Reform Commission regarding
15 improvements to the financial or educational programs of school
16 buildings.

17 (j) The board of school directors of the distressed school
18 district of the first class shall continue in office for the
19 remainder of their terms during the time the district is
20 operated by the commission unless removed for neglect of duty
21 under section 318 by the court of common pleas or unless the
22 director is elected to another position not compatible with the
23 position of school director or is appointed to a position for
24 which there is a requirement that the appointee shall hold no
25 elective office. The board of school directors shall perform any
26 duties delegated to it by the commission. The establishment of
27 the School Reform Commission shall not interfere with the
28 regular selection of school directors for the school district of
29 the first class.

30 (k) Collective bargaining between employes and the school

1 district of the first class shall be conducted in accordance
2 with this subsection. For purposes of collective bargaining, as
3 used in section 693 and this section: "professional employe"
4 shall have the meaning given in section 1101(1), and "teacher"
5 shall have the meaning given in section 1202-A.

6 (2) No distressed school district of the first class shall
7 be required to engage in collective bargaining negotiations or
8 enter into memoranda of understanding or other agreements
9 regarding any of the following issues:

10 (i) Contracts with third parties for the provision of goods
11 or services, including educational services or the potential
12 impact of such contracts on employes.

13 (ii) Decisions related to reductions in force.

14 (iii) Staffing patterns and assignments, class schedules,
15 academic calendar, places of instruction, pupil assessment and
16 teacher preparation time.

17 (iv) The use, continuation or expansion of programs
18 designated by the School Reform Commission as pilot or
19 experimental programs.

20 (v) The approval or designation of a school as a charter or
21 magnet school.

22 (vi) The use of technology to provide instructional or other
23 services.

24 (3) A collective bargaining agreement for professional
25 employes entered into after the expiration of the agreement in
26 effect on the date of the declaration of distress shall provide
27 for the following:

28 (i) A school day for professional employes that is equal to
29 or exceeds the State average as determined by the department. An
30 extension of the school day resulting from this requirement

1 shall be used exclusively for instructional time for students.

2 (ii) The number of instructional days shall be equal to or
3 exceed the State average number of instructional days.

4 (iii) The School Reform Commission shall not increase
5 compensation for employes solely to fulfill the requirements
6 under subparagraphs (i) and (ii).

7 (4) A provision in any contract in effect on the date of the
8 declaration of distress under this subsection that is in
9 conflict with this subsection shall be discontinued in any new
10 or renewed contract.

11 (5) Except as specifically provided in section 693, nothing
12 in this subsection shall eliminate, supersede or preempt any
13 provision of an existing collective bargaining agreement until
14 the expiration of the agreement unless otherwise authorized by
15 law.

16 (6) If upon the termination of a collective bargaining
17 agreement in effect on the date of the declaration of distress
18 under this section a new collective bargaining agreement has not
19 been ratified, the School Reform Commission shall establish a
20 personnel salary schedule to be used until a new agreement is
21 ratified.

22 (1) During the time the school district of the first class
23 is under the direction of the School Reform Commission, all
24 school employes shall be prohibited from engaging in any strike
25 as defined in Article XI-A and section 301 of the act of July
26 23, 1970 (P.L.563, No.195), known as the "Public Employe
27 Relations Act." The Secretary of Education may suspend the
28 certificate of an employe who violates this subsection.

29 (n) The Secretary of Education, only upon the recommendation
30 of a majority of the School Reform Commission, may issue a

1 declaration to dissolve the School Reform Commission. The
2 dissolution declaration shall be issued at least one hundred
3 eighty (180) days prior to the end of the current school year
4 and shall be effective at the end of that school year. Except as
5 otherwise provided in this section, after dissolution the board
6 of school directors shall have the powers and duties of the
7 School Reform Commission.

8 (n.1) When a declaration has been issued by the Secretary of
9 Education under section 691(c) and a School Reform Commission
10 has been appointed under this section, section 1705-B shall be
11 suspended for school districts of the first class.

12 (n.2) Beginning in 2003, by August 31 of each year, the
13 School Reform Commission shall provide a report for the
14 preceding school year regarding progress made toward
15 improvements in fiscal and academic performance in a school
16 district of the first class. The report shall be filed with the
17 Governor's Office and with the chairman and minority chairman of
18 the Education Committee of the Senate and the chairman and
19 minority chairman of the Education Committee of the House of
20 Representatives.

21 (o) The provisions of this section are severable. If any
22 provision of this section or its application to any person or
23 circumstance is held invalid, the invalidity shall not affect
24 the remaining provisions or applications.] This subarticle shall
25 not apply to school districts of the first class.

26 Section 2. The school directors under section 403 of the act
27 shall implement this act.

28 Section 3. This act shall take effect as follows:

29 (1) The amendment of section 696 of the act shall take
30 effect in 180 days.

1 (2) The remainder of this act shall take effect
2 immediately.