

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1221 Session of 2011

INTRODUCED BY DINNIMAN, ALLOWAY, GREENLEAF, EARLL AND MENSCH,
AUGUST 2, 2011

REFERRED TO EDUCATION, AUGUST 2, 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," providing for relations with private
6 affiliated entities; and making related repeals.

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

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

12 Section 2021-A. Relations with Private Affiliated
13 Entities.--(a) This section shall apply to the relationships
14 between the system or a State-owned university and affiliated
15 entities that are incorporated for the sole purpose of
16 benefiting the system or a State-owned university.

17 (b) This section shall apply to an affiliated entity if the
18 affiliated entity exists for the sole purpose of benefiting the
19 system or a State-owned university. Affiliated entities may
20 raise and utilize nonpublic funds to benefit and promote the

1 system or a State-owned university.

2 (c) System employes or officers may provide services to an
3 affiliated entity as an ex officio, nonvoting member of the
4 board of the affiliated entity as part of the mission of the
5 system or a State-owned university.

6 (d) The system and State-owned universities may coordinate
7 and jointly engage in fundraising activities with an affiliated
8 entity in order to raise money for the affiliated entity if the
9 money is used to directly inure to the benefit of the system or
10 State-owned university for the purposes stated under this act.

11 (e) Notwithstanding any other provision of law, the
12 provisions of the act of July 19, 1957 (P.L.1017, No.451), known
13 as the "State Adverse Interest Act," shall not apply to the
14 system, its institutions or employes of the system and its
15 institutions for actions undertaken in accordance with this
16 section.

17 (f) Nothing in this section shall be construed as
18 authorizing or granting power to an affiliated entity to enter
19 into any transactions or any agreements on behalf of the system
20 or a State-owned university.

21 (g) Neither the system nor a State-owned university shall be
22 responsible for the payment of any debts or satisfaction of any
23 obligations incurred by an affiliated entity.

24 (h) Affiliated entities recognized under this article shall
25 not be considered instrumentalities or agencies of the
26 Commonwealth. The Commonwealth shall not have any ownership
27 interest in the corporation and all affiliated entities shall
28 continue to be considered private corporations.

29 Section 2. Repeals are as follows:

30 (1) The General Assembly declares that the repeals under

1 paragraphs (2) and (3) are necessary to effectuate the
2 addition of section 2021-A of the act.

3 (2) The following acts are repealed:

4 (i) The act of May 20, 1857 (P.L.581, No.619),
5 entitled "An act to provide for the Due Training of
6 Teachers for the Common Schools of the State."

7 (ii) The act of April 15, 1859 (P.L.680, No.681),
8 entitled "A supplement to an act to provide for the due
9 training of Teachers for the Common Schools of the State,
10 passed on the twentieth of May, one thousand eight
11 hundred and fifty-seven."

12 (iii) The act of January 18, 1952 (1951 P.L.2111,
13 No.600), entitled "An act to provide for minimum
14 compensation and increments for administrators and
15 members of the faculty of State Colleges; providing for
16 leaves of absence; imposing certain duties upon the
17 Boards of Trustees and Presidents of State Colleges and
18 the Superintendent of Public Instruction; and repealing
19 inconsistent laws."

20 (3) The following acts or parts of acts are repealed to
21 the extent they are inconsistent with the addition of section
22 2021-A of the act:

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

25 (ii) 65 Pa.C.S. § 1103(a).

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