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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 913 Session of  
2013

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INTRODUCED BY STACK, TARTAGLIONE, WASHINGTON, FARNESE,  
VULAKOVICH AND VANCE, MAY 3, 2013

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REFERRED TO EDUCATION, MAY 3, 2013

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AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," in school finances, further providing  
6 for distress in school districts of the first class; and  
7 providing for school board in distressed school districts.

8 The General Assembly finds and declares as follows:

9 (1) The School Reform Commission was created in 2001 to  
10 oversee the Philadelphia School District. The School Reform  
11 Commission replaced a nine-member school board appointed by  
12 the Mayor of Philadelphia.

13 (2) The School Reform Commission has five members: three  
14 members appointed by the Governor and two members by the  
15 mayor.

16 (3) Three members are accountable to the Governor and  
17 two members are accountable to the mayor.

18 (4) Neither the taxpayers of Philadelphia nor the  
19 General Assembly, who combined supply 100% of the funding for  
20 the school district, have any representation or

1 accountability on the school board.

2 (5) This absence of accountability has eroded public  
3 confidence in the School District of Philadelphia.

4 (6) Recent financial shortfalls, increases in taxes and  
5 hiring practices have further eroded public confidence in the  
6 School District of Philadelphia.

7 (7) Most Philadelphians do not know who serves as  
8 members of the School Reform Commission, who appoints the  
9 members and who runs the School District of Philadelphia.

10 (8) Further eroding public confidence is the lack of  
11 taxpayer, student and parental involvement in the selection  
12 of members of the School Reform Commission and the leadership  
13 of the School District of Philadelphia.

14 (9) It is necessary to increase accountability to boost  
15 public confidence and taxpayer, parent and student  
16 involvement in the school district.

17 (10) Greater taxpayer, parent and student involvement in  
18 the school district will lead to better schools and  
19 communities.

20 (11) The School District of Philadelphia's 2009-2010  
21 Academic Achievement Report Card compiled by the Department  
22 of Education of the Commonwealth shows that only 56% of  
23 Philadelphia school children tested at or above grade level  
24 for mathematics and that 50% of students tested at or above  
25 grade level for reading.

26 (12) Forty percent of Philadelphia schools are not  
27 meeting average yearly progress and are instituting  
28 corrective action plans.

29 (13) Establishing an elected school board will allow  
30 taxpayers, parents and students to select their school board

1 members and to have an active role in the financial  
2 accountability, leadership and direction of the school  
3 district.

4 (14) In addition to establishing an elected school  
5 board, accountability could be increased by adopting  
6 financial, budgeting and auditing reforms.

7 (15) The financial, budgeting and auditing reforms that  
8 need to be adopted include: requiring the school district to  
9 adopt annual five-year budget plans, requiring the  
10 Philadelphia Intergovernmental Cooperation Authority to  
11 approve each five-year budget plan and giving the  
12 Philadelphia City Controller and Auditor General of the  
13 Commonwealth the authority to conduct fiscal audits and  
14 performance audits.

15 The General Assembly of the Commonwealth of Pennsylvania  
16 hereby enacts as follows:

17 Section 1. Section 696(e)(1), (h), (i) and (n) of the act of  
18 March 10, 1949 (P.L.30, No.14), known as the Public School Code  
19 of 1949, amended October 30, 2001 (P.L.828, No.83), June 29,  
20 2002 (P.L.524, No.88) and July 12, 2012 (P.L.1142, No.141), are  
21 amended and the section is amended by adding subsections to  
22 read:

23 Section 696. Distress in School Districts of the First  
24 Class.--\* \* \*

25 (c.1) The superintendent in a school district of the first  
26 class shall be appointed by the mayor of a city of the first  
27 class coterminous with the school district of the first class  
28 subject to the following:

29 (1) The superintendent shall serve at the pleasure of the  
30 mayor.

1     (2) Notwithstanding the provisions of section 1075, the  
2 superintendent of a school district of the first class shall not  
3 receive:

4     (i) Any form of annual compensation except for an annual  
5 salary. For the purposes of this subparagraph, annual  
6 compensation shall include bonuses, incentive payments and any  
7 other type of compensation. Annual compensation shall not  
8 include a severance payment, if the district superintendent is  
9 not terminated, and medical benefits.

10    (ii) Any type of severance payment, if the district  
11 superintendent was terminated.

12    (3) The elected board of school directors established  
13 pursuant to section 696.1 may also adopt a resolution expressing  
14 a vote of no confidence in the superintendent. Such resolution  
15 shall be forwarded to the mayor for consideration. Within seven  
16 (7) days of receiving the resolution from the elected board of  
17 school directors, the mayor shall inform the board of school  
18 directors as to whether the superintendent will continue to  
19 serve as superintendent.

20    (e) The following shall apply:

21    (1) The School Reform Commission shall be responsible for  
22 the operation, management and educational program of the school  
23 district of the first class. The powers and duties of the board  
24 of school directors of a school district of the first class  
25 shall be suspended. All powers and duties granted heretofore to  
26 the board of school directors of a school district of the first  
27 class under this act or any other law, including its authority  
28 to levy taxes and incur debt, shall be vested in the School  
29 Reform Commission until the Secretary of Education issues a  
30 declaration under subsection (n). Upon the issuance of such

declaration, all powers and duties, except as otherwise provided  
by this act and in this section, shall be returned to an elected  
board of school directors established pursuant to section 696.1.

\* \* \*

(h) The [School Reform Commission] Board of Education shall  
be responsible for financial matters related to the distressed  
school district of the first class and:

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

(2) In addition to the moneys collected under paragraph (1),  
the city of the first class shall remit to the school district  
of the first class for each year that the school district is  
declared distressed that portion of all other local tax revenue

1 levied for a full fiscal year by a city or county of the first  
2 class coterminous with a school district of the first class that  
3 was allocated to the school district prior to the school  
4 district being declared distressed in accordance with section  
5 691(c).

6 (3) All taxes collected on behalf of a school district of  
7 the first class by any person or entity, including a city or  
8 county of the first class, shall be promptly paid following  
9 collection to the [School Reform Commission] Board of Education  
10 for the benefit of the school district.

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

21 [(5) The School Reform Commission shall adopt a budget.]

22 (6) The Board of Education shall adopt a budget. Beginning  
23 with the first budget adopted after the effective date of this  
24 paragraph, the budget shall contain a five-year budget plan.  
25 The five-year budget plan shall be adopted annually and shall be  
26 submitted to the Philadelphia Intergovernmental Cooperation  
27 Authority for review and approval by June 30 of each year.

28 (i) In addition to all powers granted to [the superintendent  
29 by law and] a special board of control under section 693 and  
30 notwithstanding any other law to the contrary, the [School

1 Reform Commission] Board of Education shall have the following  
2 powers:

3 (1) (i) To appoint such persons and other entities as  
4 needed to conduct fiscal and performance audits and other  
5 necessary analyses.

6 (ii) Notwithstanding the provisions of subclause (i), the  
7 Department of the Auditor General or the city controller of a  
8 city of the first class may conduct fiscal audits and  
9 performance audits, as necessary and as determined by the  
10 Department of the Auditor General and the city controller. The  
11 Department of the Auditor General and the city controller shall  
12 coordinate such audits so as not to disrupt the operations of  
13 the school district of the first class or to duplicate efforts.

14 (2) To enter into agreements with persons or for-profit or  
15 nonprofit organizations to operate one or more schools. A school  
16 operated under this clause shall be funded in accordance with  
17 the terms of the agreement. This clause shall be subject to the  
18 following provisions:

19 (i) All applications to operate a charter school in a school  
20 year after a declaration of distress is issued and all charter  
21 schools established after a declaration of distress is issued  
22 shall not be subject to sections 1717-A(b), (c), (d), (e), (f),  
23 (g), (h) and (i), 1722-A(c) and 1724-A.

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

26 (3) To suspend the requirements of this act and regulations  
27 of the State Board of Education except that the school district  
28 shall remain subject to those provisions of this act set forth  
29 in sections 1073, 1073.1, 1076, 1077, 1078, 1080, 1732-A(a), (b)  
30 and (c), 1714-B and 2104 and regulations under those sections.

1       (4) To employ professional and senior management employees  
2 who do not hold State certification if the School Reform  
3 Commission has approved the qualifications of the person at a  
4 salary established by the commission.

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

10       (6) Notwithstanding any other provisions of this act, to  
11 close or reconstitute a school, including the reassignment,  
12 suspension or dismissal of professional employees.

13       (7) To suspend professional employees without regard to the  
14 provisions of section 1125.1.

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

18       (9) To reallocate resources, amend school procedures,  
19 develop achievement plans and implement testing or other  
20 evaluation procedures for educational purposes.

21       (10) To supervise and direct principals, teachers and  
22 administrators.

23       (11) To negotiate any memoranda of understanding under the  
24 collective bargaining agreement in existence on the effective  
25 date of this section.

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

27       (13) To delegate to a person, including an employee of the  
28 school district or a for-profit or nonprofit organization,  
29 powers it deems necessary to carry out the purposes of this  
30 article, subject to the supervision and direction of the School



1 Reform Commission.

2 (14) To employ, contract with or assign persons or for-  
3 profit or nonprofit organizations to review the financial and  
4 educational programs of school buildings and make  
5 recommendations to the School Reform Commission regarding  
6 improvements to the financial or educational programs of school  
7 buildings.

8 \* \* \*

9 (n) [The Secretary of Education, only upon the  
10 recommendation of a majority of the School Reform Commission,  
11 may issue a declaration to dissolve the School Reform  
12 Commission. The dissolution declaration shall be issued at least  
13 one hundred eighty (180) days prior to the end of the current  
14 school year and shall be effective at the end of that school  
15 year.] (1) The Secretary of Education shall, within ten (10)  
16 days of the effective date of this paragraph, issue a  
17 declaration to dissolve the School Reform Commission. The  
18 dissolution declaration shall be effective at the end of the  
19 2012-2013 school year.

20 (2) Except as otherwise provided in this section, after  
21 dissolution the board of school directors established in  
22 accordance with the provisions of section 696.1 shall have the  
23 powers and duties of the School Reform Commission.

24 (3) Upon the effective date of the dissolution declaration,  
25 the provisions of subsections (a), (b), (b.1), (b.2), (c), (j),  
26 (l) and (n.1) shall expire.

27 \* \* \*

28 (p) For purposes of this section, "Board of Education" shall  
29 mean the elected board of school directors of a distressed  
30 school district as provided in section 696.1.

1 Section 2. The act is amended by adding a section to read:

2 Section 696.1. School Board in Distressed School Districts;  
3 Apportionment of Seats, and Numbers, Terms, and Methods for  
4 Election of School Directors in Distressed School Districts.--  
5 (a) In each distressed school district, the school board shall  
6 be known as the Board of Public Education and shall consist of  
7 nine (9) school directors, who shall be elected by the qualified  
8 voters of the school district by specified districts. Each  
9 candidate shall be nominated only for the specified district in  
10 which the candidate resides, and each elected member shall  
11 represent only a specified district in which the elected member  
12 resides, such districts to be constituted as specified in this  
13 section.

14 (b) All elected members shall serve for a term of four (4)  
15 years, except the members elected at the initial election in  
16 even-numbered school director districts, who shall serve for two  
17 (2) years. In the event the first election occurs in an even-  
18 numbered year, the terms of the initial members shall be  
19 increased by one (1) year, so that future elections can be held  
20 in odd-numbered years. In the case of death or resignation of  
21 elected members, the mayor of the most populous municipality  
22 contained in the school district shall fill the vacancy from the  
23 same school director district in which the vacancy occurred  
24 until the first Monday in December following the next municipal  
25 primary occurring one hundred twenty (120) days after the  
26 vacancy occurred.

27 (c) (1) In each distressed school district, a school  
28 director district apportionment commission shall be constituted  
29 for the purpose of establishing nine (9) director districts  
30 within the distressed school district by assigning each election

district within such school district into one (1) of the school  
director districts. The commission shall select nine (9)  
districts which best provide for racial balance and proportional  
representation of all segments of the population at the time of  
the apportionment. The school director districts shall be  
compact, contiguous and as nearly equal in population as  
practicable.

(2) The commission shall consist of six (6) members, three  
(3) to be appointed by the mayor of the municipality in which  
the distressed school district is located and three (3) by the  
city council of the municipality. If the distressed school  
district is located in more than one (1) municipality, two (2)  
members shall be appointed by the mayor of the most populous  
municipality in the school district, three (3) by the city  
council of the municipality and one (1) by the mayor of any  
other municipality in the school district with the approval of  
the legislative body thereof. The commission shall elect one (1)  
of its members chairman and shall act by a majority of its  
entire membership. If any of the appointing authorities fail to  
make any or all of such appointments within fifteen (15) days  
after the effective date of this section, the appointment or  
appointments shall be made by the court of common pleas.

(3) No later than forty-five (45) days after the commission  
has 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 (91) 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.

1     (4) No later than September in the second year following the  
2 year in which Federal decennial census data is officially  
3 gathered, a school director district reapportionment commission  
4 shall be appointed. The reapportionment commission shall consist  
5 of seven (7) members, four (4) to be appointed by the mayor of  
6 the municipality in which the distressed school district is  
7 located and three (3) by the city council of the municipality.  
8 If the distressed school district is located in more than one  
9 (1) municipality, three (3) members shall be appointed by the  
10 mayor of the most populous municipality in the school district,  
11 three (3) by the city council of such municipality and one (1)  
12 by the mayor of any other municipality in the school district  
13 with the approval of the legislative body thereof. The duties of  
14 the reapportionment commission shall be, from the official data  
15 of the United States Bureau of the Census, to define the lines  
16 that divide the existing school director districts, to make any  
17 new school director districts as nearly equal in population as  
18 practicable, and as compact and contiguous as possible, and to  
19 best provide for racial balance on the board of school directors  
20 of the school district. The number of school directors or school  
21 director districts shall not be increased or decreased. In  
22 addition, the reapportionment commission shall make every effort  
23 to maintain neighborhood boundary lines of communities of like  
24 interest whenever practicable. The reapportionment commission  
25 shall file its plan no later than ninety (90) days after either  
26 the commission has been appointed or the specified population  
27 data for the first class A school district as determined by the  
28 Federal decennial census are available, whichever is later in  
29 time.

30     (5) The school district shall appropriate sufficient funds

for the compensation and expenses of members and staff appointed by the apportionment commission and reapportionment commission, and other necessary expenses. The members of the 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 provided in paragraph (4).

(7) Any apportionment or reapportionment plan, filed by any 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 (1) 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 the districts from the average population for the districts.

(8) The county board of elections shall place upon the ballot to be submitted to the voters of each distressed school district under the act of June 3, 1937 (P.L.1333, No.320), known as the "Pennsylvania Election Code," the following question:

Shall the apportionment plan submitted by the school director district apportionment commission for the election of members of the Board of Public Education of the school district

1 of.....be approved?

2 (9) If the voters accept the apportionment plan under  
3 paragraph (8), the number of school director districts contained  
4 in the apportionment plan shall be the permanent number of  
5 school director districts in the school district, and the  
6 permanent number of school director districts shall neither be  
7 increased nor decreased by any future reapportionment commission  
8 or by the court of common pleas of the county in which the  
9 school district is located. The ballot question shall not be  
10 considered in the case of a reapportionment plan submitted by a  
11 reapportionment commission or the court of common pleas.

12 (d) (1) Except as provided in paragraph (2), school  
13 directors shall be nominated and elected in accordance with the  
14 "Pennsylvania Election Code."

15 (2) Notwithstanding the provisions of section 951 of the  
16 "Pennsylvania Election Code," nomination papers for the office  
17 of school director shall be filed in the same manner as  
18 nominations of candidates by political bodies or independent  
19 candidates, as provided by the "Pennsylvania Election Code,"  
20 without regard to political party membership. Nomination papers  
21 for the office of school director must include the signatures of  
22 at least two hundred fifty (250) qualified electors from the  
23 district in which the candidate resides, without regard to  
24 political party affiliation.

25 (e) (1) After the election of school directors from  
26 specified districts in accordance therewith, the Board of Public  
27 Education of the first class school district shall be governed  
28 by the provisions of this act and other provisions of general  
29 law relating to first class school districts which are not  
30 inconsistent with the provisions of this section.

1     (2) The provisions of this section shall supersede all other  
2 parts of this act and all other acts affecting the organization  
3 of school districts of the first class to the extent that they  
4 are inconsistent or in conflict with this section.

5     (3) All existing acts or parts of acts and resolutions  
6 affecting the organization of first class school districts not  
7 inconsistent or in conflict with the provisions of this section  
8 shall remain in full force until modified or repealed as  
9 provided by law.

10    (f) No superintendent, assistant superintendent, supervising  
11 principal, teacher or other employe shall serve either  
12 temporarily or permanently as a member of the school board by  
13 which employed.

14    (g) For the purposes of this section, "distressed school  
15 district" shall mean a school district of the first class which  
16 has been declared to be distressed by the Secretary of Education  
17 under section 691.

18     Section 3. The act of August 9, 1963 (P.L.643, No.341),  
19 known as the First Class City Public Education Home Rule Act, is  
20 repealed to the extent of any inconsistency with this act.

21     Section 4. This act shall take effect in 60 days.