
 THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. **762** Session of
2015

INTRODUCED BY ROAE, JAMES, REED, McNEILL, V. BROWN, SAYLOR,
MURT, SANTORA, WATSON, SONNEY, TOPPER, MENTZER, FABRIZIO,
GROVE, RAPP, PHILLIPS-HILL, GIBBONS, HARHAI AND EVANKOVICH,
MARCH 10, 2015

SENATOR BROWNE, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, JUNE 29, 2015

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 preliminary provisions, providing
6 for powers and duties of the Secretary of Education; IN <--
7 GROUNDS AND BUILDINGS, FURTHER PROVIDING FOR LIMITATIONS ON
8 APPROVAL OF PUBLIC SCHOOL BUILDING PROJECTS AND ESTABLISHING
9 THE PUBLIC SCHOOL BUILDING CONSTRUCTION AND RECONSTRUCTION
10 ADVISORY COMMITTEE; IN PUPILS AND ATTENDANCE, FURTHER
11 PROVIDING FOR EDUCATION AND TRAINING OF EXCEPTIONAL CHILDREN;
12 IN CHARTER SCHOOLS, FURTHER PROVIDING FOR SCHOOL STAFF; IN
13 VOCATIONAL EDUCATION, FURTHER PROVIDING FOR VOCATIONAL
14 EDUCATION EQUIPMENT GRANTS; IN COMMUNITY COLLEGES, FURTHER
15 PROVIDING FOR FINANCIAL PROGRAM AND PAYMENT REIMBURSEMENT; IN
16 DISRUPTIVE STUDENT PROGRAMS, FURTHER PROVIDING FOR
17 APPLICATIONS; IN PRIVATE ALTERNATIVE EDUCATION INSTITUTIONS
18 FOR DISRUPTIVE STUDENTS, FURTHER PROVIDING FOR CONTRACTS WITH
19 PRIVATE ALTERNATIVE EDUCATION INSTITUTIONS; PROVIDING FOR THE
20 RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES; IN FUNDING
21 FOR PUBLIC LIBRARIES, PROVIDING FOR STATE AID FOR FISCAL YEAR
22 2015-2016; IN REIMBURSEMENTS BY COMMONWEALTH AND BETWEEN
23 SCHOOL DISTRICTS, PROVIDING FOR STUDENT-WEIGHTED BASIC
24 EDUCATION FUNDING; FURTHER PROVIDING FOR PAYMENTS TO
25 INTERMEDIATE UNITS, FOR SPECIAL EDUCATION PAYMENTS TO SCHOOL
26 DISTRICTS, FOR EXTRAORDINARY SPECIAL EDUCATION PROGRAM
27 EXPENSES AND FOR SPECIAL EDUCATION FUNDING FOR ELIGIBLE
28 STUDENTS WITH DISABILITIES IN COST CATEGORY 3; IN
29 REIMBURSEMENTS BY COMMONWEALTH AND BETWEEN SCHOOL DISTRICTS,
30 PROVIDING FOR FOR REIMBURSEMENT FOR SCHOOL DISTRICTS WITHOUT

1 REQUIRED DOCUMENTATION, FOR PUBLIC SCHOOL BUILDING LEASE AND
2 DEBT SERVICE REIMBURSEMENTS FOR FISCAL YEAR 2015-2016 AND FOR
3 READY-TO-LEARN BLOCK GRANTS; PROVIDING FOR SCHOOL DISTRICT
4 DEBT REFINANCING BONDS; AND REPEALING PROVISIONS OF THE
5 FISCAL CODE RELATING TO RURAL REGIONAL COLLEGE FOR
6 UNDERSERVED COUNTIES.

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 124. Powers and Duties of the Secretary of~~
13 ~~Education. (a) On behalf of the Commonwealth, the Secretary of~~
14 ~~Education shall have the authority and duty to enter into and~~
15 ~~administer membership in a regional compact and an interstate~~
16 ~~reciprocity agreement for the provision of postsecondary~~
17 ~~distance education by the following:~~

18 ~~(1) Institutions of higher education to students in other~~
19 ~~states, territories and districts party to such agreement.~~

20 ~~(2) Postsecondary institutions in other states, territories~~
21 ~~or districts that are a party to such agreement to students in~~
22 ~~this Commonwealth.~~

23 ~~(b) The Department of Education may charge administrative~~
24 ~~fees to institutions of higher education that choose to~~
25 ~~participate in the agreement, not to exceed the Department of~~
26 ~~Education's additional administrative cost.~~

27 ~~(c) The Postsecondary Distance Education Interstate~~
28 ~~Reciprocity Agreement Restricted Receipts Account is established~~
29 ~~as a special restricted receipts account within the General Fund~~
30 ~~of the State Treasury, from which the department may draw moneys~~
31 ~~for the purpose of agreement expenses, the costs of~~
32 ~~administering and implementing the agreement and all other costs~~
33 ~~associated with the activities of the department related to~~

~~1 implementation of this section. This account shall consist of
2 all administrative fees deposited under subsection (b) and State
3 funds appropriated for use under this section. The restricted-
4 receipts account shall be subject to audit by the Auditor
5 General.~~

~~6 (d) For purposes of this section, "institution of higher
7 education" shall have the meaning given in section 118.~~

~~8 Section 2. This act shall take effect in 60 days.~~

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 124. POWERS AND DUTIES OF THE SECRETARY OF
13 EDUCATION.-- (A) ON BEHALF OF THE COMMONWEALTH, THE SECRETARY OF
14 EDUCATION SHALL HAVE THE AUTHORITY AND DUTY TO ENTER INTO AND
15 ADMINISTER MEMBERSHIP IN A REGIONAL COMPACT AND AN INTERSTATE
16 RECIPROCITY AGREEMENT FOR THE PROVISION OF POSTSECONDARY
17 DISTANCE EDUCATION BY THE FOLLOWING:

18 (1) INSTITUTIONS OF HIGHER EDUCATION TO STUDENTS IN OTHER
19 STATES, TERRITORIES AND DISTRICTS PARTY TO SUCH AGREEMENT.

20 (2) POSTSECONDARY INSTITUTIONS IN OTHER STATES, TERRITORIES
21 OR DISTRICTS THAT ARE A PARTY TO SUCH AGREEMENT TO STUDENTS IN
22 THIS COMMONWEALTH.

23 (B) THE DEPARTMENT OF EDUCATION MAY CHARGE ADMINISTRATIVE
24 FEES TO INSTITUTIONS OF HIGHER EDUCATION THAT CHOOSE TO
25 PARTICIPATE IN THE AGREEMENT, NOT TO EXCEED THE AMOUNT NECESSARY
26 TO PAY THE ADMINISTRATIVE COSTS OF THE AGREEMENT. THE DEPARTMENT
27 MAY PROMULGATE FINAL-OMITTED REGULATIONS PURSUANT TO THE ACT OF
28 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE "REGULATORY REVIEW
29 ACT," NECESSARY TO IMPLEMENT THIS SUBSECTION, PROVIDED THAT SUCH
30 FINAL-OMITTED REGULATIONS SHALL EXPIRE ON JUNE 30, 2018. AFTER

1 JUNE 30, 2018, ANY REVISIONS TO THE ADMINISTRATIVE FEES CHARGED
2 UNDER THIS SUBSECTION SHALL BE MADE THROUGH REGULATIONS
3 PROMULGATED UNDER THE REGULATORY REVIEW ACT.

4 (C) THE POSTSECONDARY DISTANCE EDUCATION INTERSTATE
5 RECIPROCITY AGREEMENT RESTRICTED RECEIPTS ACCOUNT IS ESTABLISHED
6 AS A SPECIAL RESTRICTED RECEIPTS ACCOUNT WITHIN THE GENERAL FUND
7 OF THE STATE TREASURY, FROM WHICH THE DEPARTMENT MAY DRAW MONEYS
8 FOR THE PURPOSE OF AGREEMENT EXPENSES, THE COSTS OF
9 ADMINISTERING AND IMPLEMENTING THE AGREEMENT AND ALL OTHER COSTS
10 ASSOCIATED WITH THE ACTIVITIES OF THE DEPARTMENT RELATED TO
11 IMPLEMENTATION OF THIS SECTION. THIS ACCOUNT SHALL CONSIST OF
12 ALL ADMINISTRATIVE FEES DEPOSITED UNDER SUBSECTION (B) AND STATE
13 FUNDS APPROPRIATED FOR USE UNDER THIS SECTION. THE RESTRICTED
14 RECEIPTS ACCOUNT SHALL BE SUBJECT TO AUDIT BY THE AUDITOR
15 GENERAL.

16 (D) FOR PURPOSES OF THIS SECTION, "INSTITUTION OF HIGHER
17 EDUCATION" SHALL HAVE THE MEANING GIVEN IN SECTION 118.

18 SECTION 2. SECTION 732.1 OF THE ACT IS AMENDED BY ADDING A
19 SUBSECTION TO READ:

20 SECTION 732.1. LIMITATION ON NEW APPLICATIONS FOR DEPARTMENT
21 OF EDUCATION APPROVAL OF PUBLIC SCHOOL BUILDING PROJECTS.--* * *

22 (C) FOR THE 2015-2016 SCHOOL YEAR, THE DEPARTMENT OF
23 EDUCATION SHALL NOT ACCEPT OR APPROVE NEW BUILDING CONSTRUCTION
24 OR RECONSTRUCTION PROJECT APPLICATIONS. COMPLETED SCHOOL
25 BUILDING CONSTRUCTION OR RECONSTRUCTION PROJECT APPLICATIONS
26 RECEIVED BY THE DEPARTMENT OF EDUCATION BY AUGUST 15, 2015, ARE
27 NOT SUBJECT TO THIS SUBSECTION.

28 SECTION 3. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

29 SECTION 732.2. PUBLIC SCHOOL BUILDING CONSTRUCTION AND
30 RECONSTRUCTION ADVISORY COMMITTEE.-- (A) THERE IS HEREBY

1 ESTABLISHED AN ADVISORY COMMITTEE TO REVIEW AND MAKE FINDINGS
2 RELATED TO THE CONSTRUCTION AND RECONSTRUCTION OF PUBLIC SCHOOL
3 BUILDINGS, INCLUDING CONSTRUCTION AND RECONSTRUCTION PLANNING,
4 FINANCING AND COMMONWEALTH REIMBURSEMENT.

5 (B) THE ADVISORY COMMITTEE SHALL CONSIST OF THE FOLLOWING:

6 (1) THE SECRETARY OF EDUCATION OR A DESIGNEE.

7 (2) (RESERVED).

8 (3) A REPRESENTATIVE FROM THE FOLLOWING:

9 (I) THE PENNSYLVANIA ASSOCIATION OF SCHOOL BUSINESS
10 OFFICIALS.

11 (II) THE PENNSYLVANIA SCHOOL BOARDS ASSOCIATION.

12 (4) THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
13 COMMITTEE AND EDUCATION COMMITTEE OF THE SENATE AND THE
14 CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE
15 AND EDUCATION COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

16 (5) TWO MEMBERS APPOINTED BY THE PRESIDENT PRO TEMPORE OF
17 THE SENATE, ONE OF WHOM MUST HAVE EXPERTISE IN MUNICIPAL DEBT
18 AND FINANCE.

19 (6) TWO MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF
20 REPRESENTATIVES, ONE OF WHOM MUST HAVE EXPERIENCE IN MUNICIPAL
21 DEBT AND FINANCE.

22 (C) THE COMMITTEE SHALL HOLD ITS FIRST MEETING WITHIN THIRTY
23 (30) DAYS OF THE EFFECTIVE DATE OF THIS SECTION REGARDLESS OF
24 WHETHER ALL OF THE COMMITTEE MEMBERS HAVE BEEN APPOINTED TO THE
25 COMMITTEE. AT THE FIRST MEETING, THE DEPARTMENT OF EDUCATION
26 SHALL PRESENT ITS REPORT RELATING TO THE STATEWIDE ANALYSIS OF
27 SCHOOL FACILITIES AND CAPITAL NEEDS AS REQUIRED UNDER SECTION
28 732.1.

29 (D) THE COMMITTEE SHALL APPOINT A MEMBER TO SERVE AS
30 CHAIRMAN OF THE COMMITTEE.

1 (E) THE COMMITTEE SHALL HOLD MEETINGS AT THE CALL OF THE
2 CHAIRMAN.

3 (F) THE MEMBERS MAY NOT RECEIVE COMPENSATION FOR THEIR
4 SERVICES, BUT SHALL BE REIMBURSED FOR ALL NECESSARY TRAVEL AND
5 OTHER REASONABLE EXPENSES INCURRED IN CONNECTION WITH THE
6 PERFORMANCE OF THEIR DUTIES AS MEMBERS OF THE COMMITTEE.

7 (G) THE GENERAL ASSEMBLY SHALL PROVIDE ADMINISTRATIVE
8 SUPPORT, MEETING SPACE AND ANY OTHER ASSISTANCE REQUIRED BY THE
9 COMMITTEE TO CARRY OUT ITS DUTIES UNDER THIS SECTION IN
10 COOPERATION WITH THE DEPARTMENT. THE DEPARTMENT SHALL PROVIDE
11 THE COMMITTEE WITH DATA, RESEARCH AND OTHER INFORMATION UPON
12 REQUEST.

13 (H) THE COMMITTEE SHALL ISSUE A REPORT NOT LATER THAN
14 FEBRUARY 1, 2016, OF THE COMMITTEE'S FINDINGS TO THE GOVERNOR,
15 THE PRESIDENT PRO TEMPORE OF THE SENATE, THE MAJORITY LEADER AND
16 MINORITY LEADER OF THE SENATE, THE APPROPRIATIONS COMMITTEE AND
17 EDUCATION COMMITTEE OF THE SENATE, THE SPEAKER OF THE HOUSE OF
18 REPRESENTATIVES, THE MAJORITY LEADER AND MINORITY LEADER OF THE
19 HOUSE OF REPRESENTATIVES, THE APPROPRIATIONS COMMITTEE AND
20 EDUCATION COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
21 SECRETARY OF EDUCATION.

22 SECTION 4. SECTION 1372(8) OF THE ACT, ADDED MAY 10, 2000
23 (P.L.44, NO.16), IS AMENDED TO READ:

24 SECTION 1372. EXCEPTIONAL CHILDREN; EDUCATION AND
25 TRAINING.--* * *

26 (8) REPORTING OF EXPENDITURES RELATING TO EXCEPTIONAL
27 STUDENTS.

28 (I) BY DECEMBER 31, 2000, AND EACH YEAR THEREAFTER, EACH
29 SCHOOL DISTRICT SHALL COMPILE INFORMATION LISTING THE NUMBER OF
30 STUDENTS WITH DISABILITIES FOR WHICH EXPENDITURES ARE BETWEEN

1 TWENTY-FIVE THOUSAND DOLLARS (\$25,000) AND FIFTY THOUSAND
2 DOLLARS (\$50,000), BETWEEN FIFTY THOUSAND DOLLARS (\$50,000) AND
3 SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) AND OVER SEVENTY-FIVE
4 THOUSAND DOLLARS (\$75,000) FOR THE PRIOR SCHOOL YEAR. THE
5 INFORMATION SHALL BE SUBMITTED TO THE DEPARTMENT IN A FORM
6 PRESCRIBED BY THE DEPARTMENT. BY FEBRUARY 1, 2001, AND EACH YEAR
7 THEREAFTER, THE DEPARTMENT SHALL SUBMIT TO THE CHAIRMAN AND
8 MINORITY CHAIRMAN OF THE EDUCATION AND APPROPRIATIONS COMMITTEES
9 OF THE SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE
10 EDUCATION AND APPROPRIATIONS COMMITTEES OF THE HOUSE OF
11 REPRESENTATIVES A REPORT LISTING THIS INFORMATION BY SCHOOL
12 DISTRICT.

13 (II) BEGINNING WITH THE 2015-2016 SCHOOL YEAR, THE
14 DEPARTMENT SHALL ANNUALLY ADJUST THE DOLLAR RANGES FOR WHICH THE
15 INFORMATION IS COLLECTED UNDER THIS SECTION BY THE CONSUMER
16 PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
17 JERSEY, DELAWARE AND MARYLAND AREA.

18 SECTION 5. SECTION 1724-A(C) OF THE ACT, AMENDED JUNE 30,
19 2011 (P.L.112, NO.24), IS AMENDED TO READ:

20 SECTION 1724-A. SCHOOL STAFF.--* * *

21 (C) ALL EMPLOYES OF A CHARTER SCHOOL SHALL BE ENROLLED IN
22 THE PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM IN THE SAME
23 MANNER AS SET FORTH IN 24 PA.C.S. § 8301(A) (RELATING TO
24 MANDATORY AND OPTIONAL MEMBERSHIP) UNLESS AT THE TIME OF THE
25 APPLICATION FOR THE CHARTER SCHOOL THE SPONSORING DISTRICT OR
26 THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL HAS A RETIREMENT
27 PROGRAM WHICH COVERS THE EMPLOYES OR THE EMPLOYEE IS CURRENTLY
28 ENROLLED IN ANOTHER RETIREMENT PROGRAM. [THE COMMONWEALTH SHALL
29 MAKE CONTRIBUTIONS ON BEHALF OF CHARTER SCHOOL EMPLOYEES ENROLLED
30 IN THE PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM.] THE CHARTER

1 SCHOOL SHALL BE CONSIDERED A PUBLIC SCHOOL [DISTRICT] AS DEFINED
2 IN 24 PA.C.S. § 8102 (RELATING TO DEFINITIONS) AND SHALL MAKE
3 QUARTERLY PAYMENTS BY EMPLOYERS TO THE PUBLIC SCHOOL EMPLOYEES'
4 RETIREMENT SYSTEM AND MONTHLY PAYMENTS ON ACCOUNT OF SOCIAL
5 SECURITY AS ESTABLISHED UNDER 24 PA.C.S. PT. IV (RELATING TO
6 RETIREMENT FOR SCHOOL EMPLOYEES). THE MARKET VALUE/INCOME AID
7 RATIO USED IN CALCULATING PAYMENTS AS PRESCRIBED IN THIS
8 SUBSECTION SHALL BE THE MARKET VALUE/INCOME AID RATIO FOR THE
9 SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL IS LOCATED OR, IN
10 THE CASE OF A REGIONAL CHARTER SCHOOL, SHALL BE A COMPOSITE
11 MARKET VALUE/INCOME AID RATIO FOR THE PARTICIPATING SCHOOL
12 DISTRICTS AS DETERMINED BY THE DEPARTMENT. EXCEPT AS OTHERWISE
13 PROVIDED, EMPLOYEES OF A CHARTER SCHOOL SHALL MAKE REGULAR MEMBER
14 CONTRIBUTIONS AS REQUIRED FOR ACTIVE MEMBERS UNDER 24 PA.C.S.
15 PT. IV. IF THE EMPLOYEES OF THE CHARTER SCHOOL PARTICIPATE IN
16 ANOTHER RETIREMENT PLAN, THEN THOSE EMPLOYEES SHALL HAVE NO
17 CONCURRENT CLAIM ON THE BENEFITS PROVIDED TO PUBLIC SCHOOL
18 EMPLOYEES UNDER 24 PA.C.S. PT. IV. [FOR PURPOSES OF THIS
19 SUBSECTION, A CHARTER SCHOOL SHALL BE DEEMED TO BE A "PUBLIC
20 SCHOOL" AS DEFINED IN 24 PA.C.S. § 8102 (RELATING TO
21 DEFINITIONS).] NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE
22 CONTRARY, NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO REQUIRE
23 THE COMMONWEALTH TO MAKE PAYMENTS TO CHARTER SCHOOLS OR
24 CONTRIBUTIONS ON BEHALF OF CHARTER SCHOOL EMPLOYEES FROM
25 APPROPRIATED FUNDS, AS PROVIDED IN 24 PA.C.S. §§ 8326 (RELATING
26 TO CONTRIBUTIONS BY THE COMMONWEALTH) AND 8535 (RELATING TO
27 PAYMENTS TO SCHOOL ENTITIES BY COMMONWEALTH) ON ACCOUNT OF
28 CHARTER SCHOOL EMPLOYEES ENROLLED IN THE PUBLIC SCHOOL EMPLOYEES'
29 RETIREMENT SYSTEM AND 24 PA.C.S. § 8329(A) (RELATING TO PAYMENTS
30 ON ACCOUNT OF SOCIAL SECURITY DEDUCTIONS FROM APPROPRIATIONS) ON

1 ACCOUNT OF SOCIAL SECURITY PAYMENTS MADE BY A CHARTER SCHOOL.

2 * * *

3 SECTION 6. SECTION 1855 OF THE ACT, AMENDED JUNE 22, 2001
4 (P.L.530, NO.35), IS AMENDED TO READ:

5 SECTION 1855. VOCATIONAL EDUCATION EQUIPMENT GRANTS.--(A)
6 FOR THE 2000-2001 FISCAL YEAR AND THE 2001-2002 FISCAL YEAR, THE
7 DEPARTMENT OF EDUCATION SHALL ESTABLISH A GRANT PROGRAM TO
8 ASSIST AREA VOCATIONAL-TECHNICAL SCHOOLS, SCHOOL DISTRICTS
9 OFFERING APPROVED VOCATIONAL-TECHNICAL PROGRAMS AND THE THADDEUS
10 STEVENS STATE COLLEGE OF TECHNOLOGY IN PURCHASING EQUIPMENT THAT
11 MEETS INDUSTRY STANDARDS FOR THE PURPOSE OF PROVIDING TRAINING
12 TO STUDENTS. GRANTS SHALL BE LIMITED TO THE PURCHASE OF
13 EQUIPMENT IN THE FOLLOWING PROGRAM AREAS: AUTOMOTIVE TECHNOLOGY,
14 AUTO BODY, DIESEL TECHNOLOGY, PRECISION MACHINE TECHNOLOGY,
15 HEATING VENTILATION AND AIR CONDITIONING, PRINTING, DENTAL
16 ASSISTING, ELECTRONICS, BUILDING TRADES AND OTHER PROGRAM AREAS
17 APPROVED BY THE SECRETARY OF EDUCATION. GRANTS SHALL BE AWARDED
18 BY THE DEPARTMENT OF EDUCATION ON A MATCHING BASIS, TWO STATE
19 DOLLARS (\$2) FOR EVERY LOCAL DOLLAR (\$1), AND SHALL BE LIMITED
20 TO FUNDS APPROPRIATED FOR THAT PURPOSE.

21 (B) FOR THE 2015-2016 SCHOOL YEAR, THE DEPARTMENT OF
22 EDUCATION SHALL ESTABLISH A GRANT PROGRAM TO ASSIST EACH AREA
23 VOCATIONAL-TECHNICAL SCHOOL AND SCHOOL DISTRICT WITH AN APPROVED
24 VOCATIONAL PROGRAM THAT APPLIES FOR AND IS APPROVED FOR FUNDING
25 BY THE DEPARTMENT OF EDUCATION TO PURCHASE EQUIPMENT THAT MEETS
26 INDUSTRY STANDARDS. GRANTS SHALL BE DISTRIBUTED IN AN AMOUNT TO
27 BE CALCULATED AS FOLLOWS:

28 (1) A BASE AMOUNT OF THREE THOUSAND DOLLARS (\$3,000).

29 (2) A PER-STUDENT AMOUNT CALCULATED AS FOLLOWS:

30 (I) MULTIPLY THE 2014-2015 AVERAGE DAILY MEMBERSHIP IN

1 APPROVED VOCATIONAL EDUCATION PROGRAMS FOR EACH AREA VOCATIONAL-
2 TECHNICAL SCHOOL OR SCHOOL DISTRICT THAT HAS BEEN APPROVED FOR
3 FUNDING BY THE DEPARTMENT BY THE DIFFERENCE BETWEEN THE AMOUNT
4 APPROPRIATED FOR CAREER AND TECHNICAL EDUCATION EQUIPMENT GRANTS
5 AND THE SUM OF THE FUNDING DISTRIBUTED UNDER PARAGRAPH (1) TO
6 ALL AREA VOCATIONAL-TECHNICAL SCHOOLS AND SCHOOL DISTRICTS.

7 (II) DIVIDE THE PRODUCT FROM SUBPARAGRAPH (I) BY THE SUM OF
8 THE 2014-2015 AVERAGE DAILY MEMBERSHIP IN APPROVED VOCATIONAL
9 EDUCATION PROGRAMS FOR ALL AREA VOCATIONAL-TECHNICAL SCHOOLS AND
10 SCHOOL DISTRICTS THAT HAVE BEEN APPROVED FOR FUNDING BY THE
11 DEPARTMENT.

12 (C) THE APPLICATION TO APPLY FOR FUNDING UNDER SUBSECTION
13 (B) SHALL BE DEVELOPED BY THE DEPARTMENT WITHIN THIRTY DAYS OF
14 THE EFFECTIVE DATE OF THIS SECTION AND ONLY REQUIRE THE
15 FOLLOWING, WHICH MAY BE COLLECTED ELECTRONICALLY:

16 (1) NAME, ADDRESS, E-MAIL ADDRESS AND TELEPHONE NUMBER OF
17 THE AREA VOCATIONAL-TECHNICAL SCHOOL OR SCHOOL DISTRICT.

18 (2) NAME, E-MAIL ADDRESS AND TELEPHONE NUMBER OF AN EMPLOYEE
19 OF THE AREA VOCATIONAL-TECHNICAL SCHOOL OR SCHOOL DISTRICT WHO
20 WILL BE AVAILABLE TO ANSWER QUESTIONS REGARDING THE FUNDING
21 APPLICATION.

22 (3) DESCRIPTION OF THE EQUIPMENT FOR WHICH THE REQUESTED
23 FUNDING WILL BE USED; THE CAREER AND TECHNICAL EDUCATION PROGRAM
24 IN WHICH THE EQUIPMENT WILL BE USED; THE DATE ON WHICH THE
25 OCCUPATIONAL ADVISORY COMMITTEE RECOMMENDED THE PURCHASE OF THE
26 EQUIPMENT; AND VERIFICATION THAT THE EQUIPMENT WILL BE USED FOR
27 TECHNICAL CLASSROOM INSTRUCTION.

28 (D) THE DEPARTMENT MAY NOT REQUEST AND CONSIDER ANY
29 INFORMATION OTHER THAN THE INFORMATION PROVIDED IN THE FUNDING
30 APPLICATION.

1 (E) EACH AREA VOCATIONAL-TECHNICAL SCHOOL OR SCHOOL DISTRICT
2 WITH AN APPROVED VOCATIONAL PROGRAM THAT SUBMITS A COMPLETED
3 FUNDING APPLICATION SHALL RECEIVE FUNDING IN THE AMOUNT
4 DETERMINED UNDER SUBSECTION (B).

5 (F) FOR PURPOSES OF THIS SECTION, "OCCUPATIONAL ADVISORY
6 COMMITTEE" SHALL MEAN AN OCCUPATIONAL ADVISORY COMMITTEE
7 ESTABLISHED PURSUANT TO 22 PA. CODE CH. 339 (RELATING TO
8 VOCATIONAL EDUCATION).

9 SECTION 7. SECTION 1913-A(B) (1.6) OF THE ACT IS AMENDED BY
10 ADDING A SUBCLAUSE TO READ:

11 SECTION 1913-A. FINANCIAL PROGRAM; REIMBURSEMENT OF
12 PAYMENTS.--* * *

13 (B) * * *

14 (1.6) FOR THE 2006-2007 FISCAL YEAR AND EACH FISCAL YEAR
15 THEREAFTER, THE PAYMENT FOR A COMMUNITY COLLEGE SHALL CONSIST OF
16 THE FOLLOWING:

17 * * *

18 (IX) FOR THE 2015-2016 FISCAL YEAR, EACH COMMUNITY COLLEGE
19 SHALL RECEIVE AN AMOUNT EQUAL TO THE SUM OF THE FOLLOWING:

20 (A) AN AMOUNT EQUAL TO THE AMOUNT ALLOCATED TO THE COMMUNITY
21 COLLEGE FOR OPERATING COSTS UNDER SUBCLAUSE (VIII) (A).

22 (B) AN AMOUNT EQUAL TO THE AMOUNT ALLOCATED TO A COMMUNITY
23 COLLEGE FOR THE ECONOMIC DEVELOPMENT STIPEND UNDER SUBCLAUSE
24 (VIII) (B).

25 (C) AN AMOUNT DETERMINED FOR EACH COMMUNITY COLLEGE AS
26 FOLLOWS:

27 (I) DIVIDE THE SUM OF THE AMOUNTS OF FUNDING THE COMMUNITY
28 COLLEGE RECEIVED UNDER PARAGRAPHS (A) AND (B) BY THE TOTAL
29 AMOUNT OF FUNDING PROVIDED UNDER PARAGRAPHS (A) AND (B) FOR ALL
30 COMMUNITY COLLEGES.

1 (II) MULTIPLY THE QUOTIENT IN SUBPARAGRAPH (I) BY THE
2 DIFFERENCE BETWEEN THE APPROPRIATION FOR PAYMENT OF APPROVED
3 OPERATING EXPENSES OF COMMUNITY COLLEGES IN FISCAL YEAR 2014-
4 2015 AND FISCAL YEAR 2013-2014.

5 (D) AN AMOUNT DETERMINED FOR EACH COMMUNITY COLLEGE AS
6 FOLLOWS:

7 (I) MULTIPLY THE AUDITED FULL-TIME EQUIVALENT ENROLLMENT AS
8 VERIFIED UNDER SUBSECTION (K.1) FOR THE MOST RECENT YEAR
9 AVAILABLE FOR THE COMMUNITY COLLEGE BY THE DIFFERENCE BETWEEN
10 THE APPROPRIATION FOR PAYMENT OF APPROVED OPERATING EXPENSES OF
11 COMMUNITY COLLEGES IN FISCAL YEAR 2015-2016 AND FISCAL YEAR
12 2014-2015.

13 (II) DIVIDE THE PRODUCT IN SUBPARAGRAPH (I) BY THE SUM OF
14 THE AUDITED FULL-TIME EQUIVALENT ENROLLMENT AS VERIFIED UNDER
15 SUBSECTION (K.1) FOR THE MOST RECENT YEAR AVAILABLE FOR ALL
16 COMMUNITY COLLEGES.

17 * * *

18 SECTION 8. SECTION 1902-C INTRODUCTORY PARAGRAPH OF THE ACT,
19 ADDED JUNE 25, 1997 (P.L.297, NO.30), IS AMENDED AND THE SECTION
20 IS AMENDED BY ADDING A SUBSECTION TO READ:

21 SECTION 1902-C. APPLICATIONS.--(A) APPLICANTS SHALL SUBMIT
22 APPLICATIONS AT THE TIME, IN THE MANNER AND CONTAINING OR
23 ACCOMPANIED BY SUCH INFORMATION AS THE DEPARTMENT MAY PRESCRIBE
24 BUT, IN ANY CASE, SHALL DOCUMENT THE FOLLOWING:

25 * * *

26 (B) A SCHOOL DISTRICT, COMBINATION OF SCHOOL DISTRICTS OR
27 CHARTER SCHOOL THAT MAKES AN APPLICATION TO ESTABLISH AN
28 ALTERNATIVE EDUCATION PROGRAM SHALL SUBMIT INITIAL AND RENEWAL
29 APPLICATIONS ALONG WITH A FEE OF FOUR HUNDRED DOLLARS (\$400) AS
30 PRESCRIBED BY THE DEPARTMENT. THE MONEY COLLECTED SHALL BE

1 DEPOSITED INTO A RESTRICTED ACCOUNT IN THE GENERAL FUND TO BE
2 KNOWN AS THE ALTERNATIVE EDUCATION PROGRAM ACCOUNT. THE MONEY IN
3 THE RESTRICTED ACCOUNT IS HEREBY APPROPRIATED ON A CONTINUING
4 BASIS TO THE DEPARTMENT.

5 SECTION 9. SECTION 1902-E OF THE ACT, ADDED NOVEMBER 23,
6 1999 (P.L.529, NO.48), IS AMENDED BY ADDING A PARAGRAPH TO READ:

7 SECTION 1902-E. CONTRACTS WITH PRIVATE ALTERNATIVE EDUCATION
8 INSTITUTIONS.--

9 * * *

10 (5) A PRIVATE ALTERNATIVE EDUCATION INSTITUTION THAT MAKES
11 AN APPLICATION FOR APPROVAL TO OPERATE SHALL SUBMIT INITIAL AND
12 RENEWAL APPLICATIONS ALONG WITH A FEE OF ONE THOUSAND DOLLARS
13 (\$1,000) AS PRESCRIBED BY THE DEPARTMENT. THE FUNDS COLLECTED
14 SHALL BE DEPOSITED INTO THE ALTERNATIVE EDUCATION PROGRAM
15 ACCOUNT ESTABLISHED IN SECTION 1902-C(B).

16 SECTION 10. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

17 ARTICLE XIX-G

18 RURAL REGIONAL COLLEGE FOR UNDERSERVED COUNTIES

19 SECTION 1901-G. (RESERVED).

20 SECTION 1901.1-G. LEGISLATIVE INTENT.

21 IT IS THE INTENT OF THE GENERAL ASSEMBLY TO PROVIDE FOR THE
22 CONTINUED EXISTENCE, OPERATION AND ADMINISTRATION OF THE RURAL
23 REGIONAL COLLEGE ESTABLISHED UNDER FORMER ARTICLE XVII-E.1 OF
24 THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL
25 CODE.

26 SECTION 1901.2-G. APPROPRIATIONS.

27 APPROPRIATIONS FOR THE OPERATION OF THE RURAL REGIONAL
28 COLLEGE SHALL HAVE PREFERRED STATUS AND BE CONSIDERED ORDINARY
29 EXPENSES OF STATE GOVERNMENT.

30 SECTION 1902-G. SCOPE OF ARTICLE.

1 THIS ARTICLE PROVIDES FOR THE ESTABLISHMENT OF A RURAL
2 REGIONAL COLLEGE IN A MULTICOUNTY RURAL AREA THAT IS UNDERSERVED
3 BY COMPREHENSIVE COMMUNITY COLLEGE EDUCATION AND WORK FORCE
4 DEVELOPMENT.

5 SECTION 1903-G. DEFINITIONS.

6 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
7 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
8 CONTEXT CLEARLY INDICATES OTHERWISE:

9 "ANNUAL." A 12-MONTH PERIOD COTERMINOUS WITH THE
10 COMMONWEALTH'S FISCAL YEAR BEGINNING JULY 1 AND ENDING JUNE 30.

11 "BOARD OF TRUSTEES." THE BOARD OF TRUSTEES OF A RURAL
12 REGIONAL COLLEGE ESTABLISHED UNDER THIS ARTICLE.

13 "CERTIFIED PUBLIC ACCOUNTANT." A MEMBER OF THE AMERICAN
14 INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS WHO HAS A MINIMUM OF
15 FIVE YEARS' VERIFIABLE EXPERIENCE IN PERFORMING AUDITS OF
16 GOVERNMENT FUNDS FOR NONPROFIT ORGANIZATIONS WITH A COMPARABLE
17 OR LARGER ANNUAL BUDGET.

18 "COUNTY." ANY COUNTY IN THIS COMMONWEALTH.

19 "MIDDLE STATES." THE MIDDLE STATES ASSOCIATION OF COLLEGES
20 AND SCHOOLS.

21 "PARTNER INSTITUTION." ONE OR MORE MIDDLE STATES-ACCREDITED
22 INSTITUTIONS OF HIGHER EDUCATION.

23 "RURAL REGIONAL COLLEGE." A PUBLIC INSTITUTION OF HIGHER
24 EDUCATION WHICH IS ESTABLISHED IN A RURAL AREA AND OPERATED IN
25 ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE AS A COLLEGE
26 WHICH PROVIDES UP TO A TWO-YEAR, POSTSECONDARY EDUCATION NOT TO
27 EXCEED THE LEVEL OF AN ASSOCIATE OF ARTS OR SCIENCES DEGREE AND
28 WHICH IS ACTIVE IN WORK FORCE DEVELOPMENT.

29 "RURAL REGIONAL COLLEGE PLAN" OR "PLAN." A PLAN FOR THE
30 ESTABLISHMENT AND OPERATION OF A RURAL REGIONAL COLLEGE UNDER

1 THIS ARTICLE.

2 "SECRETARY." THE SECRETARY OF EDUCATION OF THE COMMONWEALTH
3 OR SUCH PERSON AS THE SECRETARY MAY DESIGNATE TO ACT ON BEHALF
4 OF THE SECRETARY WITH REGARD TO ANY OF THE DUTIES AND
5 PREROGATIVES IMPOSED BY THIS ARTICLE.

6 "STATE BOARD." THE STATE BOARD OF EDUCATION.

7 SECTION 1904-G. DESIGNATIONS BY SECRETARY.

8 (A) DUTIES OF SECRETARY.--

9 (1) THE SECRETARY SHALL DESIGNATE AN ESTABLISHED
10 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF
11 THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26
12 U.S.C. § 501(C)(3)), WHICH REPRESENTS A RURAL MULTICOUNTY
13 REGION UNDERSERVED BY A COMPREHENSIVE COMMUNITY COLLEGE
14 PROGRAM, INCLUDING WORK FORCE DEVELOPMENT, TO ASSIST THE
15 SECRETARY WITH THE DESIGNATION UNDER PARAGRAPH (2).

16 (2) WITHIN 30 DAYS OF THE DESIGNATION UNDER PARAGRAPH
17 (1), THE SECRETARY SHALL, IN CONSULTATION WITH THE NONPROFIT
18 ORGANIZATION, DESIGNATE CONTIGUOUS COUNTIES OR PARTS OF
19 CONTIGUOUS COUNTIES TO BE SERVED BY ESTABLISHMENT OF A RURAL
20 REGIONAL COLLEGE.

21 (B) CHANGES.--NO SOONER THAN JULY 10, 2018, THE SECRETARY,
22 WITH APPROVAL OF THE BOARD OF TRUSTEES, MAY ADD COUNTIES OR
23 PARTS OF COUNTIES TO BE SERVED BY THE RURAL REGIONAL COLLEGE.

24 SECTION 1905-G. DESIGNATION AND BOARD OF TRUSTEES.

25 WITHIN 60 DAYS OF THE SECRETARY'S DESIGNATION UNDER SECTION
26 1904-G(A)(2), A BOARD OF TRUSTEES SHALL BE APPOINTED TO
27 ESTABLISH A RURAL REGIONAL COLLEGE. THE BOARD OF TRUSTEES SHALL
28 CONSIST OF NOT FEWER THAN SEVEN MEMBERS NOR MORE THAN 15 MEMBERS
29 APPOINTED BY THE SECRETARY IN CONSULTATION AND JOINTLY WITH THE
30 NONPROFIT ORGANIZATION DESIGNATED UNDER SECTION 1904-G(A)(1).

1 THE FOLLOWING SHALL APPLY TO THE BOARD OF TRUSTEES ESTABLISHED
2 UNDER THIS SECTION:

3 (1) MEMBERS OF THE BOARD OF TRUSTEES SHALL BE
4 REPRESENTATIVE OF THE AREA DESIGNATED UNDER SECTION 1904-G(A)
5 (2) AND MAY INCLUDE SCHOOL ADMINISTRATORS, COMMUNITY
6 EDUCATION COUNCIL OFFICIALS, BUSINESS LEADERS AND GOVERNMENT
7 OFFICIALS.

8 (2) MEMBERS OF THE BOARD OF TRUSTEES SHALL BE APPOINTED
9 FOR TERMS OF THREE YEARS EACH, EXCEPT THAT THOSE PERSONS
10 INITIALLY APPOINTED SHALL DRAW LOTS TO DETERMINE WHICH
11 TRUSTEES SHALL SERVE FOR A TERM OF THREE YEARS, WHICH
12 TRUSTEES SHALL SERVE FOR A TERM OF TWO YEARS AND WHICH
13 TRUSTEES SHALL SERVE FOR A TERM OF ONE YEAR. TO THE EXTENT
14 PRACTICABLE, FROM THOSE TRUSTEES INITIALLY APPOINTED, AN
15 EQUAL NUMBER SHALL DRAW LOTS TO SERVE FOR A TERM OF THREE
16 YEARS, FOR A TERM OF TWO YEARS AND FOR A TERM OF ONE YEAR.
17 THEREAFTER, ALL MEMBERS SHALL BE APPOINTED FOR TERMS OF THREE
18 YEARS EACH.

19 (3) VACANCIES ON THE BOARD SHALL BE FILLED BY THE
20 EXISTING BOARD. A TRUSTEE MAY SUCCEED HIMSELF, PROVIDED THAT
21 NO MEMBER SHALL SERVE FOR LONGER THAN 10 YEARS.

22 (4) THE SECRETARY SHALL CONVENE AN INITIAL MEETING OF
23 THE BOARD OF TRUSTEES WITHIN 30 DAYS OF THE SECRETARY'S
24 APPOINTMENT OF A BOARD OF TRUSTEES UNDER THIS SECTION. AFTER
25 THE INITIAL MEETING, THE BOARD OF TRUSTEES SHALL MEET AT SUCH
26 TIMES EACH YEAR AS THE BOARD OF TRUSTEES DETERMINES TO BE
27 NECESSARY TO SATISFY THE REQUIREMENTS OF THIS ARTICLE.

28 (5) THE BOARD OF TRUSTEES SHALL ADOPT STANDING OPERATING
29 RULES AND PROCEDURES, BYLAWS AND ARTICLES OF INCORPORATION.

30 (6) THE BOARD OF TRUSTEES SHALL ESTABLISH AN ADVISORY

1 COUNCIL OF PRESIDENTS, OR THEIR DESIGNEES, FROM INSTITUTIONS
2 WITH POSTSECONDARY EDUCATION PROGRAMS WITHIN THE REGION
3 DESIGNATED UNDER SECTION 1904-G(A) (2). THE ADVISORY COUNCIL
4 SHALL MEET QUARTERLY TO DISCUSS EMPLOYER AND WORK FORCE
5 NEEDS, NEW EDUCATIONAL OFFERINGS AND GENERAL COORDINATION OF
6 SERVICE AND FACILITIES. ONE ADVISORY COUNCIL MEMBER
7 REPRESENTING A COMMUNITY COLLEGE AND ONE ADVISORY COUNCIL
8 MEMBER THAT IS A PRESIDENT OF A COLLEGE OR UNIVERSITY SHALL
9 SERVE AS COCHAIRMEN.

10 (7) THE BOARD OF TRUSTEES SHALL CHOOSE FROM AMONG ITS
11 MEMBERS A CHAIRMAN, VICE CHAIRMAN AND SECRETARY.

12 (8) A MAJORITY OF THE MEMBERS OF THE BOARD OF TRUSTEES
13 SHALL CONSTITUTE A QUORUM.

14 (9) TRUSTEES SHALL SERVE WITHOUT COMPENSATION, EXCEPT
15 THAT THEY SHALL BE REIMBURSED BY THE RURAL REGIONAL COLLEGE
16 FOR THEIR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE
17 PERFORMANCE OF THEIR DUTIES.

18 SECTION 1906-G. ESTABLISHMENT.

19 (A) GENERAL RULE.--NO LATER THAN JUNE 30, 2016, THE BOARD OF
20 TRUSTEES APPOINTED UNDER SECTION 1905-G SHALL SUBMIT TO THE
21 SECRETARY A PROPOSED RURAL REGIONAL COLLEGE PLAN IN SUCH FORM
22 AND CONTAINING SUCH INFORMATION AS THE SECRETARY MAY REQUIRE. IN
23 ADDITION TO OTHER INFORMATION WHICH MAY BE REQUIRED BY THE
24 SECRETARY, THE PLAN SHALL INCLUDE THE FOLLOWING:

25 (1) A DESIGNATION OF THE NAME OF THE PROPOSED RURAL
26 REGIONAL COLLEGE WHICH SHALL BE THE "RURAL REGIONAL COLLEGE
27 OF " OR " RURAL REGIONAL
28 COLLEGE."

29 (2) A SURVEY OF THE EDUCATIONAL, VOCATIONAL AND
30 OCCUPATIONAL NEEDS OF THE AREA AND THE MEANS BY WHICH THE

1 PROPOSED RURAL REGIONAL COLLEGE WILL MEET THOSE NEEDS,
2 REENGAGE HIGH SCHOOL DROPOUTS TO EARN THEIR SECONDARY
3 CREDENTIALS AND POSTSECONDARY CREDENTIALS OR INDUSTRY
4 CERTIFICATION, REDUCE UNEMPLOYMENT AND IMPROVE THE EMPLOYABLE
5 SKILLS OF RESIDENTS OF THE AREA TO BE SERVED BY THE RURAL
6 REGIONAL COLLEGE.

7 (3) AN OPERATING AND FINANCIAL PLAN FOR THE PROPOSED
8 RURAL REGIONAL COLLEGE, INCLUDING A PLAN FOR THE CAPITAL
9 NEEDS AND EXPENSES OF THE PROPOSED RURAL REGIONAL COLLEGE.

10 (4) A PLAN BY WHICH THE RURAL REGIONAL COLLEGE SHALL
11 SEEK ACCREDITATION BY AN ACCREDITING ASSOCIATION WHICH IS
12 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION.

13 (B) SUBMISSION OF PLAN.--WITHIN 60 DAYS OF THE SUBMISSION OF
14 THE RURAL REGIONAL COLLEGE PLAN TO THE SECRETARY, THE SECRETARY
15 SHALL ISSUE AN APPROVAL OR REJECTION OF THE PLAN. A REJECTION OF
16 THE PLAN SHALL BE ACCOMPANIED BY A WRITTEN STATEMENT OF THE
17 REASONS FOR THE REJECTION OF THE PLAN. IF THE PLAN IS REJECTED,
18 THE BOARD OF TRUSTEES SHALL SUBMIT A REVISED PLAN TO THE
19 SECRETARY WITHIN 60 DAYS OF THE PLAN'S REJECTION.

20 (C) PLAN APPROVAL.--UPON THE APPROVAL OF THE PLAN BY THE
21 SECRETARY, THE RURAL REGIONAL COLLEGE SHALL BE CONSIDERED
22 ESTABLISHED.

23 SECTION 1907-G. POWERS AND DUTIES OF BOARD OF TRUSTEES.

24 (A) GENERAL RULE.--THE BOARD OF TRUSTEES APPOINTED UNDER
25 SECTION 1905-G SHALL ADMINISTER AND SUPERVISE THE AFFAIRS OF THE
26 RURAL REGIONAL COLLEGE ESTABLISHED UNDER THIS ARTICLE. SUBJECT
27 TO ANY OTHER LAW AND TO ANY REGULATIONS PROMULGATED BY THE STATE
28 BOARD PERTAINING TO RURAL REGIONAL COLLEGES, THE BOARD OF
29 TRUSTEES SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

30 (1) TO ADVANCE THE MISSION OF THE RURAL REGIONAL COLLEGE

1 IN SERVICE TO RESIDENTS OF THE REGION DESIGNATED UNDER
2 SECTION 1904-G(A) (2).

3 (2) TO APPOINT AND FIX THE SALARY OF A PRESIDENT OF THE
4 RURAL REGIONAL COLLEGE.

5 (3) TO APPOINT AND FIX THE SALARY OF A CHIEF FINANCIAL
6 OFFICER OF THE RURAL REGIONAL COLLEGE.

7 (4) TO HOLD, RENT, LEASE, SELL, PURCHASE AND IMPROVE
8 LAND, BUILDINGS, FURNISHINGS, EQUIPMENT, MATERIALS, BOOKS AND
9 SUPPLIES.

10 (5) TO ENTER INTO CONTRACTS FOR SERVICES WITH COMMUNITY
11 EDUCATION COUNCILS, SCHOOLS, COLLEGES OR UNIVERSITIES, OR
12 WITH SCHOOL DISTRICTS OR MUNICIPALITIES, AND OTHER APPLICABLE
13 OR APPROPRIATE AGENCIES AND ORGANIZATIONS TO EFFECTUATE THE
14 PURPOSES OF THIS ARTICLE.

15 (6) TO ACCEPT AND RECEIVE GIFTS OF REAL AND PERSONAL
16 PROPERTY AND FEDERAL, STATE AND LOCAL MONEY, LOANS AND GRANTS
17 AND TO EXPEND THE SAME.

18 (7) TO MAKE POLICIES PROVIDING FOR THE ADMISSION AND
19 EXPULSION OF STUDENTS, THE COURSES OF INSTRUCTION, THE
20 TUITION AND FEES TO BE CHARGED AND FOR ALL MATTERS RELATED TO
21 THE GOVERNMENT AND ADMINISTRATION OF THE RURAL REGIONAL
22 COLLEGE, PROVIDED THAT POLICIES RELATED TO ADMISSION, TUITION
23 AND FEES GIVE PREFERENCE TO RESIDENTS OF THE AREA DESIGNATED
24 BY THE SECRETARY UNDER SECTION 1904-G(A) (2).

25 (8) TO SUBMIT TO THE SECRETARY FOR APPROVAL PROPOSED
26 AMENDMENTS TO THE RURAL REGIONAL COLLEGE PLAN.

27 (9) TO ENTER INTO CONTRACTS FOR SERVICES TO HIGH SCHOOLS
28 LOCATED IN THE AREA DESIGNATED BY THE SECRETARY UNDER SECTION
29 1904-G TO PROVIDE SERVICES, INCLUDING AREA VOCATIONAL-
30 TECHNICAL EDUCATION SERVICES.

1 (10) TO APPROVE AN ANNUAL BUDGET TO BE SUBMITTED TO THE
2 SECRETARY FOR FUNDING.

3 (11) TO EXERCISE SUCH OTHER POWERS AND PERFORM SUCH
4 OTHER DUTIES AS ARE NECESSARY TO EFFECTUATE THE PURPOSES OF
5 THIS ARTICLE.

6 (B) DUTIES OF BOARD.--THE BOARD OF TRUSTEES SHALL ENTER INTO
7 CONTRACTS, HOLD PROPERTY AND TAKE OTHER ACTIONS IN THE NAME OF
8 THE RURAL REGIONAL COLLEGE.

9 (C) INITIAL PARTNERSHIP.--

10 (1) THE BOARD OF TRUSTEES SHALL SELECT INITIALLY A
11 PARTNER INSTITUTION TO DEVELOP AND OFFER ACCREDITED COURSES
12 AND PROGRAMS OF STUDY AT THE APPROVED SITES OF OPERATION.

13 (2) THE PARTNER INSTITUTION SHALL SELECT PROGRAMS ONLY
14 WITH APPROVAL OF THE BOARD OF TRUSTEES AND CONSISTENT WITH
15 THE PARTNER INSTITUTION'S ACCREDITATION AND SHALL BE
16 RESPONSIBLE FOR STAFFING AND EVALUATION AND PROVISION OF
17 OTHER SUPPORT SERVICES AS MAY BE REQUIRED FOR STUDENTS.

18 (3) THE BOARD OF TRUSTEES MAY CONTRACT WITH OTHER
19 COLLEGES TO PROVIDE CURRICULA NOT AVAILABLE THROUGH THE
20 PARTNER INSTITUTION.

21 (4) AS THE RURAL REGIONAL COLLEGE IS ABLE TO OPERATE ON
22 ITS OWN, A TRANSITION PLAN AND BUDGET SHALL BE INCLUDED IN
23 THE CONTRACT BETWEEN THE RURAL REGIONAL COLLEGE AND THE
24 PARTNER INSTITUTION TO EFFICIENTLY EXPEDITE THE TRANSITION.

25 (5) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO
26 PRECLUDE THE BOARD OF TRUSTEES FROM CONTRACTING FOR SPECIFIC
27 SERVICES OR PROGRAMS FOLLOWING THE TRANSITION FROM THE
28 INITIAL PARTNER INSTITUTION.

29 SECTION 1908-G. OFFICERS OF RURAL REGIONAL COLLEGE.

30 (A) PRESIDENT.--THE PRESIDENT SHALL BE THE CHIEF EXECUTIVE

1 AND ADMINISTRATIVE OFFICER OF THE RURAL REGIONAL COLLEGE AND
2 SHALL PERFORM ALL DUTIES WHICH THE BOARD OF TRUSTEES MAY
3 PRESCRIBE. THE PRESIDENT SHALL HAVE THE RIGHT TO ATTEND MEETINGS
4 OF THE BOARD OF TRUSTEES AND TO BE HEARD ON ALL MATTERS BEFORE
5 IT BUT SHALL HAVE NO RIGHT TO VOTE ON ANY MATTER.

6 (B) CHIEF FINANCIAL OFFICER.--THE CHIEF FINANCIAL OFFICER OF
7 THE RURAL REGIONAL COLLEGE SHALL GIVE A PROPER BOND IN SUCH
8 AMOUNT AND WITH SUCH CORPORATE SURETY AS IS APPROVED BY THE
9 BOARD OF TRUSTEES. THE CHIEF FINANCIAL OFFICER SHALL FILE THE
10 BOND WITH THE BOARD OF TRUSTEES. THE ACCOUNT OF THE CHIEF
11 FINANCIAL OFFICER SHALL BE AUDITED ANNUALLY BY A CERTIFIED
12 PUBLIC ACCOUNTANT OR OTHER QUALIFIED PUBLIC ACCOUNTANT SELECTED
13 BY THE BOARD OF TRUSTEES.

14 SECTION 1909-G. STUDENTS.

15 ANY INDIVIDUAL MAY APPLY FOR ADMISSION TO THE RURAL REGIONAL
16 COLLEGE ESTABLISHED UNDER THIS ARTICLE, PROVIDED THAT PREFERENCE
17 IN ADMISSIONS, TUITION AND FEES MAY BE GIVEN TO RESIDENTS OF THE
18 MULTICOUNTY AREA DESIGNATED BY THE SECRETARY UNDER SECTION 1904-
19 G(A) (2). IN CONSIDERING APPLICANTS FOR ADMISSION, THE RURAL
20 REGIONAL COLLEGE SHALL NOT DISCRIMINATE ON THE BASIS OF RACE,
21 COLOR, GENDER, MARITAL STATUS, ETHNIC GROUP OR RELIGION.

22 SECTION 1910-G. TUITION.

23 THE TUITION AND FEES CHARGED BY THE RURAL REGIONAL COLLEGE
24 SHALL BE AN AMOUNT DETERMINED BY THE BOARD OF TRUSTEES, IN
25 ACCORDANCE WITH THE BUDGET SUBMITTED TO THE SECRETARY. THE BOARD
26 OF TRUSTEES SHALL ANNUALLY ESTABLISH A SEPARATE SCHEDULE OF
27 TUITION AND FEES FOR STUDENTS THAT RESIDE INSIDE THE REGION
28 DESIGNATED UNDER SECTION 1904-G(A) (2) AND STUDENTS THAT RESIDE
29 OUTSIDE THE REGION.

30 SECTION 1911-G. DISSOLUTION AND TRANSITION OF RURAL REGIONAL

1 COLLEGE.

2 THE RURAL REGIONAL COLLEGE ESTABLISHED UNDER THIS ARTICLE MAY
3 NOT BE DISSOLVED WITHOUT THE APPROVAL OF THE SECRETARY. UPON
4 DISSOLUTION OF THE RURAL REGIONAL COLLEGE, THE COMMONWEALTH
5 SHALL ASSUME ALL ASSETS AND LIABILITIES OF THE RURAL REGIONAL
6 COLLEGE, EXCEPT THAT SUCH ASSETS THAT ARE THE PROPERTY OF ANY
7 PARTNER INSTITUTION THAT MAY BE OPERATING FOR AND WITHIN THE
8 RURAL REGIONAL COLLEGE SHALL REMAIN THE PROPERTY OF THE PARTNER
9 INSTITUTION.

10 SECTION 1912-G. DEGREES.

11 THE RURAL REGIONAL COLLEGE ESTABLISHED UNDER THIS ARTICLE MAY
12 AWARD ANY TYPE OF DIPLOMA, TECHNICAL OR CAREER TRAINING
13 CERTIFICATE OR ASSOCIATE DEGREES IN THE ARTS, SCIENCES,
14 TECHNOLOGIES OR GENERAL EDUCATION UPON SUCCESSFUL COMPLETION OF
15 PROGRAMS AUTHORIZED BY THE BOARD OF TRUSTEES. AS LONG AS THE
16 PARTNER INSTITUTION PROVIDES THE ACCREDITED CURRICULA AND
17 COURSES UNDER CONTRACT TO THE RURAL REGIONAL COLLEGE, THE
18 REQUIREMENTS OF THE ACCREDITING AGENCY SHALL PERTAIN TO THE
19 GRANTING OF SUCH AWARDS.

20 SECTION 1913-G. FUNDING.

21 THE RURAL REGIONAL COLLEGE ESTABLISHED UNDER THIS ARTICLE
22 SHALL BE FUNDED BY TUITION AND FEES ESTABLISHED BY THE BOARD OF
23 TRUSTEES AND MAY ACCEPT APPROPRIATIONS FROM THE GENERAL
24 ASSEMBLY, GRANTS FROM THE FEDERAL GOVERNMENT, GRANTS FROM THE
25 COMMONWEALTH, GRANTS FROM PRIVATE FOUNDATIONS OR ANY COMBINATION
26 THEREOF.

27 SECTION 1914-G. FINANCIAL AID.

28 (A) INITIAL PARTNERSHIP PERIOD.--DURING THE RURAL REGIONAL
29 COLLEGE'S INITIAL PARTNERSHIP WITH A PARTNER INSTITUTION, A
30 STUDENT ENROLLED IN THE RURAL REGIONAL COLLEGE SHALL BE ELIGIBLE

1 FOR CONSIDERATION FOR A PENNSYLVANIA STATE GRANT AND OTHER
2 COMMONWEALTH-FUNDED FINANCIAL AID ADMINISTERED BY THE
3 PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY, PROVIDED THAT
4 THE PARTNER INSTITUTION IS AN INSTITUTION OF HIGHER EDUCATION AS
5 APPROVED BY AND IN ACCORDANCE WITH RULES AND REGULATIONS OF THE
6 PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY.

7 (B) POSTTRANSITION PERIOD.--UPON THE RURAL REGIONAL COLLEGE
8 OPERATING ON ITS OWN WITHOUT A PARTNER INSTITUTION, A STUDENT
9 SHALL ONLY BE ELIGIBLE FOR CONSIDERATION FOR A PENNSYLVANIA
10 STATE GRANT AND ANY OTHER COMMONWEALTH-FUNDED FINANCIAL AID IF
11 THE RURAL REGIONAL COLLEGE IS APPROVED BY THE DEPARTMENT OF
12 EDUCATION, IS ACCREDITED OR A RECOGNIZED CANDIDATE FOR
13 ACCREDITATION WITH AN ACCREDITING BODY RECOGNIZED UNDER RULES
14 AND REGULATIONS OF THE PENNSYLVANIA HIGHER EDUCATION ASSISTANCE
15 AGENCY AND SATISFIES ANY OTHER INSTITUTIONAL AND ADMINISTRATIVE
16 PROGRAM REQUIREMENTS AS THE PENNSYLVANIA HIGHER EDUCATION
17 ASSISTANCE AGENCY MAY REQUIRE.

18 SECTION 1915-G. REGULATIONS.

19 THE STATE BOARD MAY PROMULGATE REGULATIONS UNDER THE ACT OF
20 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY REVIEW
21 ACT, AS NECESSARY TO IMPLEMENT THIS ARTICLE.

22 SECTION 1916-G. REPORTS.

23 THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE SHALL PREPARE
24 AND SUBMIT TO THE GENERAL ASSEMBLY WRITTEN INTERIM AND FINAL
25 REPORTS EVALUATING THE OPERATION OF THIS ARTICLE. THE INTERIM
26 REPORT SHALL BE SUBMITTED BY JUNE 30, 2018, AND THE FINAL REPORT
27 SHALL BE SUBMITTED BY JUNE 30, 2022. EACH REPORT SHALL INCLUDE,
28 BUT MAY NOT BE LIMITED TO, THE FOLLOWING:

29 (1) A REVIEW OF THE SUCCESS OF THE RURAL REGIONAL
30 COLLEGE ESTABLISHED UNDER THIS ARTICLE IN SATISFYING THE

1 GOALS SET FORTH IN THE RURAL REGIONAL COLLEGE PLAN APPROVED
2 BY THE SECRETARY AND IN SATISFYING THE NEEDS OF THE
3 MULTICOUNTY AREA THE RURAL REGIONAL COLLEGE WAS ESTABLISHED
4 TO SERVE.

5 (2) DEMOGRAPHIC AND PROGRAM DATA, INCLUDING THE
6 FOLLOWING:

7 (I) NUMBERS OF FULL-TIME AND PART-TIME FACULTY AND
8 STUDENT ENROLLMENTS, IN TOTAL AND WITHIN CURRICULAR
9 AREAS.

10 (II) DUAL ENROLLMENT PARTICIPATION.

11 (III) CREDIT HOURS TAUGHT BY FACULTY.

12 (IV) DISTANCE LEARNING COURSES OFFERED.

13 (V) ARTICULATION AGREEMENTS WITH HIGHER EDUCATION
14 INSTITUTIONS.

15 (VI) LISTS OF COURSES WITH FEWER THAN 20 STUDENTS.

16 (VII) LISTS OF COURSES WITH MORE THAN 50 STUDENTS.

17 WHERE AVAILABLE, STUDENT DATA SHALL BE DISAGGREGATED BY
18 CATEGORIES, INCLUDING GENDER, RACE AND AGE.

19 (3) STUDENT PROGRESS AND ACHIEVEMENT MEASURES, INCLUDING
20 THE FOLLOWING:

21 (I) RETENTION RATES RELATED TO STUDENT GOALS.

22 (II) GRADUATION AND COMPLETION RATES AFTER TWO,
23 THREE AND FOUR YEARS.

24 (III) PASSING RATES ON CERTIFICATION AND LICENSURE
25 EXAMINATIONS.

26 (IV) NUMBER OF STUDENTS EMPLOYED WITHIN ONE YEAR OF
27 PROGRAM COMPLETION.

28 (V) PLACEMENT INTO ADDITIONAL EDUCATION OR
29 EMPLOYMENT IN THE STUDENT'S FIELD OF STUDY.

30 WHERE AVAILABLE, DATA SHALL BE DISAGGREGATED BY CATEGORIES,

1 INCLUDING GENDER, RACE AND AGE.

2 (4) ECONOMIC AND WORK FORCE DEVELOPMENT MEASURES,
3 INCLUDING:

4 (I) EMPLOYER SATISFACTION.

5 (II) CUSTOMIZED JOB TRAINING OFFERINGS.

6 (III) EMPLOYMENT STATUS.

7 (IV) NUMBERS OF BUSINESSES AND ORGANIZATIONS SERVED.

8 (5) RECOMMENDATIONS FOR FUTURE LEGISLATION.

9 SECTION 1917-G. TRANSFERS OF CREDITS.

10 FOR PURPOSES OF FACILITATING THE TRANSFER OF CREDITS ATTAINED
11 BY STUDENTS OF THE RURAL REGIONAL COLLEGE, THE RURAL REGIONAL
12 COLLEGE SHALL BE CONSIDERED A PUBLIC INSTITUTION OF HIGHER
13 EDUCATION AS DEFINED IN SECTION 2001-C AND, UPON THE RURAL
14 REGIONAL COLLEGE BEING ABLE TO OPERATE ON ITS OWN, SHALL BE
15 REQUIRED TO FULFILL ALL THE DUTIES AND OBTAIN FOR ITS STUDENTS
16 ALL THE BENEFITS OF ARTICLE XX-C WITHIN TWO YEARS OF OPERATION
17 OF THE ESTABLISHED RURAL REGIONAL COLLEGE.

18 SECTION 11. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
19 SECTION 2320. STATE AID FOR FISCAL YEAR 2015-2016.

20 NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY,
21 EACH LIBRARY SUBJECT TO 24 PA.C.S. CH. 93 (RELATING TO PUBLIC
22 LIBRARY CODE), SHALL BE ELIGIBLE FOR STATE AID FOR FISCAL YEAR
23 2015-2016, AS FOLLOWS:

24 (1) FUNDS APPROPRIATED FOR LIBRARIES SHALL BE
25 DISTRIBUTED TO EACH LIBRARY UNDER THE FOLLOWING FORMULA:

26 (I) DIVIDE THE AMOUNT OF FUNDING THAT THE LIBRARY
27 RECEIVED IN FISCAL YEAR 2014-2015 UNDER SECTION 1722-
28 J(18) OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176),
29 KNOWN AS THE FISCAL CODE, BY THE TOTAL STATE-AID SUBSIDY
30 FOR FISCAL YEAR 2014-2015.

1 (II) MULTIPLY THE QUOTIENT UNDER SUBPARAGRAPH (I) BY
2 THE TOTAL STATE-AID SUBSIDY FOR FISCAL YEAR 2015-2016.

3 (2) FOLLOWING DISTRIBUTION OF FUNDS APPROPRIATED FOR
4 STATE AID TO LIBRARIES UNDER PARAGRAPH (1), ANY REMAINING
5 FUNDS MAY BE DISTRIBUTED AT THE DISCRETION OF THE STATE
6 LIBRARIAN.

7 (3) IF FUNDS APPROPRIATED FOR STATE AID TO LIBRARIES IN
8 FISCAL YEAR 2015-2016 ARE LESS THAN FUNDS APPROPRIATED IN
9 FISCAL YEAR 2002-2003, THE STATE LIBRARIAN MAY WAIVE
10 STANDARDS AS PRESCRIBED IN 24 PA.C.S. CH. 93.

11 (4) EACH LIBRARY SYSTEM RECEIVING STATE AID UNDER THIS
12 SECTION MAY DISTRIBUTE THE LOCAL LIBRARY SHARE OF THAT AID IN
13 A MANNER AS DETERMINED BY THE BOARD OF DIRECTORS OF THE
14 LIBRARY SYSTEM.

15 (5) IN THE CASE OF A LIBRARY SYSTEM THAT CONTAINS A
16 LIBRARY OPERATING IN A CITY OF THE SECOND CLASS, CHANGES TO
17 THE DISTRIBUTION OF STATE AID TO THE LIBRARY SHALL BE MADE BY
18 MUTUAL AGREEMENT BETWEEN THE LIBRARY AND THE LIBRARY SYSTEM.

19 (6) IN THE EVENT OF A CHANGE IN DISTRICT LIBRARY CENTER
20 POPULATION PRIOR TO THE EFFECTIVE DATE OF THIS SECTION AS A
21 RESULT OF:

22 (I) A CITY, BOROUGH, TOWN, TOWNSHIP, SCHOOL DISTRICT
23 OR COUNTY MOVING FROM ONE LIBRARY CENTER TO ANOTHER; OR

24 (II) A TRANSFER OF DISTRICT LIBRARY CENTER STATUS TO
25 A COUNTY LIBRARY SYSTEM.

26 FUNDING OF DISTRICT LIBRARY CENTER AID SHALL BE PAID BASED ON
27 THE POPULATION OF THE NEWLY ESTABLISHED OR RECONFIGURED
28 DISTRICT LIBRARY CENTER.

29 (7) IN THE EVENT OF A CHANGE IN DIRECT SERVICE AREA FROM
30 ONE LIBRARY TO ANOTHER, THE STATE LIBRARIAN, UPON AGREEMENT

1 OF THE AFFECTED LIBRARIES, MAY REDISTRIBUTE THE LOCAL LIBRARY
2 SHARE OF AID TO THE LIBRARY CURRENTLY SERVICING THE AREA.

3 SECTION 12. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

4 SECTION 2502.53. STUDENT-WEIGHTED BASIC EDUCATION FUNDING.--

5 (A) FOR THE 2014-2015 SCHOOL YEAR AND EACH SCHOOL YEAR

6 THEREAFTER, THE COMMONWEALTH SHALL PAY TO EACH SCHOOL DISTRICT A
7 BASIC EDUCATION FUNDING ALLOCATION WHICH SHALL CONSIST OF THE
8 FOLLOWING:

9 (1) AN AMOUNT EQUAL TO THE SCHOOL DISTRICT'S BASIC EDUCATION
10 FUNDING ALLOCATION FOR THE 2013-2014 SCHOOL YEAR PURSUANT TO
11 SECTION 1722-J(16) OF THE ACT OF APRIL 9, 1929 (P.L.343,
12 NO.176), KNOWN AS "THE FISCAL CODE."

13 (2) AN AMOUNT EQUAL TO THE SCHOOL DISTRICT'S BASIC EDUCATION
14 FORMULA ENHANCEMENT ALLOCATION PAID DURING THE 2014-2015 SCHOOL
15 YEAR.

16 (3) A STUDENT-BASED ALLOCATION TO BE CALCULATED AS FOLLOWS:

17 (I) MULTIPLY THE SUM OF THE SCHOOL DISTRICT'S WEIGHTED BASIC
18 EDUCATION STUDENT HEAD COUNT AND THE SCHOOL DISTRICT'S
19 SPARSITY/SIZE ADJUSTMENT BY THE SCHOOL DISTRICT'S MEDIAN
20 HOUSEHOLD INCOME INDEX AND LOCAL EFFORT CAPACITY INDEX.

21 (II) MULTIPLY THE PRODUCT IN SUBPARAGRAPH (I) BY THE
22 DIFFERENCE BETWEEN THE AMOUNT APPROPRIATED FOR THE ALLOCATION OF
23 BASIC EDUCATION FUNDING AND THE SUM OF THE AMOUNTS ALLOCATED IN
24 PARAGRAPHS (1) AND (2) FOR ALL SCHOOL DISTRICTS.

25 (III) DIVIDE THE PRODUCT IN SUBPARAGRAPH (II) BY THE SUM OF
26 THE PRODUCTS IN SUBPARAGRAPH (I) FOR ALL SCHOOL DISTRICTS.

27 (B) FOR THE PURPOSES OF THIS SECTION:

28 (1) THE WEIGHTED BASIC EDUCATION STUDENT HEADCOUNT SHALL BE
29 CALCULATED FOR EACH SCHOOL DISTRICT AS FOLLOWS:

30 (I) MULTIPLY THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP

1 BY ONE (1).

2 (II) MULTIPLY THE SCHOOL DISTRICT'S NUMBER OF STUDENTS
3 LIVING IN ACUTE POVERTY BY SIX-TENTHS (0.6).

4 (III) MULTIPLY THE SCHOOL DISTRICT'S NUMBER OF STUDENTS
5 LIVING IN POVERTY BY THREE-TENTHS (0.3).

6 (IV) MULTIPLY THE SCHOOL DISTRICT'S NUMBER OF STUDENTS
7 LIVING IN CONCENTRATED POVERTY BY THREE-TENTHS (0.3).

8 (V) MULTIPLY THE SCHOOL DISTRICT'S NUMBER OF LIMITED ENGLISH
9 PROFICIENT STUDENTS BY SIX-TENTHS (0.6).

10 (VI) MULTIPLY THE CHARTER AND CYBER CHARTER SCHOOL AVERAGE
11 DAILY MEMBERSHIP APPLICABLE TO THE SCHOOL DISTRICT BY TWO-TENTHS
12 (0.2).

13 (VII) ADD THE PRODUCTS IN SUBPARAGRAPHS (I), (II), (III),
14 (IV), (V) AND (VI).

15 (2) THE SPARSITY RATIO SHALL BE CALCULATED FOR EACH SCHOOL
16 DISTRICT AS FOLLOWS:

17 (I) DIVIDE THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP
18 PER SQUARE MILE BY THE STATE'S AVERAGE DAILY MEMBERSHIP PER
19 SQUARE MILE.

20 (II) MULTIPLY THE QUOTIENT IN SUBPARAGRAPH (I) BY FIVE-
21 TENTHS (0.5).

22 (III) SUBTRACT THE PRODUCT IN SUBPARAGRAPH (II) FROM ONE
23 (1).

24 (3) THE SIZE RATIO FOR EACH SCHOOL DISTRICT SHALL BE
25 CALCULATED AS FOLLOWS:

26 (I) DIVIDE THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP BY
27 THE AVERAGE OF THE AVERAGE DAILY MEMBERSHIP OF ALL SCHOOL
28 DISTRICTS.

29 (II) MULTIPLY THE QUOTIENT IN SUBPARAGRAPH (I) BY FIVE-
30 TENTHS (0.5).

1 (III) SUBTRACT THE PRODUCT IN SUBPARAGRAPH (II) FROM ONE
2 (1).

3 (4) THE SPARSITY/SIZE RATIO FOR EACH SCHOOL DISTRICT SHALL
4 BE CALCULATED BY ADDING FORTY PERCENT (40%) OF THE SCHOOL
5 DISTRICT'S SPARSITY RATIO AND SIXTY PERCENT (60%) OF THE SCHOOL
6 DISTRICT'S SIZE RATIO.

7 (5) THE SPARSITY/SIZE ADJUSTMENT FOR EACH SCHOOL DISTRICT
8 SHALL BE CALCULATED AS FOLLOWS:

9 (I) FOR A SCHOOL DISTRICT WITH A SPARSITY/SIZE RATIO LESS
10 THAN OR EQUAL TO THE SPARSITY/SIZE RATIO THAT REPRESENTS THE
11 SEVENTIETH PERCENTILE OF THE SPARSITY/SIZE RATIO FOR ALL SCHOOL
12 DISTRICTS, THE SCHOOL DISTRICT'S SPARSITY/SIZE ADJUSTMENT SHALL
13 BE ZERO.

14 (II) FOR A SCHOOL DISTRICT WITH A SPARSITY/SIZE RATIO
15 GREATER THAN THE SPARSITY/SIZE RATIO THAT REPRESENTS THE
16 SEVENTIETH PERCENTILE OF THE SPARSITY/SIZE RATIO FOR ALL SCHOOL
17 DISTRICTS, THE SCHOOL DISTRICT'S SPARSITY/SIZE ADJUSTMENT SHALL
18 BE CALCULATED AS FOLLOWS:

19 (A) DIVIDE THE SCHOOL DISTRICT'S SPARSITY/SIZE RATIO BY THE
20 SPARSITY/SIZE RATIO THAT REPRESENTS THE SEVENTIETH PERCENTILE OF
21 THE SPARSITY/SIZE RATIO FOR ALL SCHOOL DISTRICTS.

22 (B) SUBTRACT ONE (1) FROM THE QUOTIENT IN CLAUSE (A).

23 (C) MULTIPLY THE REMAINDER IN CLAUSE (B) BY SEVEN-TENTHS
24 (0.7).

25 (D) MULTIPLY THE PRODUCT IN CLAUSE (C) BY THE SCHOOL
26 DISTRICT'S WEIGHTED BASIC EDUCATION STUDENT HEADCOUNT.

27 (6) THE NUMBER OF STUDENTS LIVING IN ACUTE POVERTY FOR EACH
28 SCHOOL DISTRICT SHALL BE CALCULATED BY MULTIPLYING THE SCHOOL
29 DISTRICT'S PERCENTAGE OF STUDENTS WHO ARE SIX (6) TO SEVENTEEN
30 (17) YEARS OF AGE ACCORDING TO THE UNITED STATES CENSUS BUREAU'S

1 RATIO OF INCOME TO POVERTY LESS THAN OR EQUAL TO NINETY-NINE
2 PERCENT (99%) OF THE FEDERAL POVERTY GUIDELINES BY THE SCHOOL
3 DISTRICT'S AVERAGE DAILY MEMBERSHIP.

4 (7) THE NUMBER OF STUDENTS LIVING IN POVERTY FOR EACH SCHOOL
5 DISTRICT SHALL BE CALCULATED BY MULTIPLYING THE SCHOOL
6 DISTRICT'S PERCENTAGE OF STUDENTS WHO ARE SIX (6) TO SEVENTEEN
7 (17) YEARS OF AGE ACCORDING TO THE UNITED STATES CENSUS BUREAU'S
8 RATIO OF INCOME TO POVERTY GREATER THAN NINETY-NINE PERCENT
9 (99%) AND LESS THAN ONE HUNDRED AND EIGHTY-FIVE PERCENT (185%)
10 OF THE FEDERAL POVERTY GUIDELINES BY THE SCHOOL DISTRICT'S
11 AVERAGE DAILY MEMBERSHIP.

12 (8) THE NUMBER OF STUDENTS LIVING IN CONCENTRATED POVERTY
13 FOR EACH SCHOOL DISTRICT SHALL BE CALCULATED AS FOLLOWS:

14 (I) FOR A SCHOOL DISTRICT IN WHICH THE PERCENTAGE OF
15 STUDENTS LIVING IN ACUTE POVERTY IS LESS THAN THIRTY PERCENT
16 (30%), THE SCHOOL DISTRICT'S NUMBER OF STUDENTS LIVING IN
17 CONCENTRATED POVERTY SHALL BE ZERO.

18 (II) FOR A SCHOOL DISTRICT IN WHICH THE PERCENTAGE OF
19 STUDENTS LIVING IN ACUTE POVERTY IS EQUAL TO OR GREATER THAN
20 THIRTY PERCENT (30%), MULTIPLY THE SCHOOL DISTRICT'S PERCENTAGE
21 OF STUDENTS LIVING IN ACUTE POVERTY BY THE SCHOOL DISTRICT'S
22 AVERAGE DAILY MEMBERSHIP.

23 (9) THE MEDIAN HOUSEHOLD INCOME INDEX FOR EACH SCHOOL
24 DISTRICT SHALL BE CALCULATED AS FOLLOWS:

25 (I) DIVIDE THE SCHOOL DISTRICT'S MEDIAN HOUSEHOLD INCOME BY
26 THE MEDIAN HOUSEHOLD INCOME FOR PENNSYLVANIA AS DETERMINED BY
27 THE UNITED STATES CENSUS BUREAU.

28 (II) DIVIDE ONE (1) BY THE QUOTIENT IN SUBPARAGRAPH (I).

29 (10) THE LOCAL EFFORT FOR EACH SCHOOL DISTRICT SHALL BE
30 CALCULATED BY ADDING THE SCHOOL DISTRICT'S STATE PROPERTY TAX

1 REDUCTION ALLOCATION, TAXES LEVIED AND ASSESSED BY THE LOCAL
2 EDUCATION AGENCY, DELINQUENCIES ON TAXES LEVIED AND ASSESSED BY
3 THE LOCAL EDUCATION AGENCY, REVENUE FROM LOCAL GOVERNMENT UNITS,
4 AND OTHER LOCAL REVENUES NOT SPECIFIED ELSEWHERE, AS DESIGNATED
5 IN THE DEPARTMENT OF EDUCATION'S MANUAL OF ACCOUNTING AND
6 FINANCIAL REPORTING FOR PENNSYLVANIA PUBLIC SCHOOLS.

7 (11) THE LOCAL EFFORT PER HOUSEHOLD FOR EACH SCHOOL DISTRICT
8 SHALL BE CALCULATED AS FOLLOWS:

9 (I) DIVIDE THE SCHOOL DISTRICT'S LOCAL EFFORT BY THE SCHOOL
10 DISTRICT'S NUMBER OF HOUSEHOLDS AS DETERMINED BY THE UNITED
11 STATES CENSUS BUREAU.

12 (II) DIVIDE THE QUOTIENT IN SUBPARAGRAPH (I) BY THE SCHOOL
13 DISTRICT'S MEDIAN HOUSEHOLD INCOME AS DETERMINED BY THE UNITED
14 STATES CENSUS BUREAU.

15 (III) MULTIPLY THE QUOTIENT IN SUBPARAGRAPH (II) BY ONE-
16 THOUSAND (1,000).

17 (12) THE LOCAL EFFORT FACTOR FOR EACH SCHOOL DISTRICT SHALL
18 BE CALCULATED BY DIVIDING THE SCHOOL DISTRICT'S LOCAL EFFORT PER
19 HOUSEHOLD BY THE STATE MEDIAN LOCAL EFFORT PER HOUSEHOLD FOR ALL
20 SCHOOL DISTRICTS.

21 (13) THE CURRENT EXPENDITURE PER WEIGHTED STUDENT FOR EACH
22 SCHOOL DISTRICT SHALL BE CALCULATED BY DIVIDING THE SCHOOL
23 DISTRICT'S CURRENT EXPENDITURES BY THE SUM OF THE SCHOOL
24 DISTRICT'S AVERAGE DAILY MEMBERSHIP, SPARSITY SIZE ADJUSTMENT
25 AND THE AMOUNTS DETERMINED FOR THE SCHOOL DISTRICT UNDER
26 SUBSECTION (B) (1) (II), (III), (IV), (V) AND (VI).

27 (14) THE EXCESS EXPENDITURE FACTOR FOR EACH SCHOOL DISTRICT
28 SHALL BE CALCULATED AS FOLLOWS:

29 (I) DIVIDE THE SCHOOL DISTRICT'S CURRENT EXPENDITURE PER
30 WEIGHTED STUDENT BY THE STATE MEDIAN CURRENT EXPENDITURE PER

1 WEIGHTED STUDENT FOR ALL SCHOOL DISTRICTS.

2 (II) DIVIDE ONE (1) BY THE QUOTIENT IN SUBPARAGRAPH (I).

3 (15) THE LOCAL EFFORT INDEX FOR EACH SCHOOL DISTRICT SHALL
4 BE CALCULATED AS FOLLOWS:

5 (I) FOR A SCHOOL DISTRICT WITH AN EXCESS EXPENDITURE FACTOR
6 EQUAL TO OR GREATER THAN ONE (1), MULTIPLY THE SCHOOL DISTRICT'S
7 LOCAL EFFORT FACTOR BY ONE (1).

8 (II) FOR A SCHOOL DISTRICT WITH AN EXCESS EXPENDITURE FACTOR
9 LESS THAN ONE (1), MULTIPLY THE SCHOOL DISTRICT'S LOCAL EFFORT
10 FACTOR BY THE SCHOOL DISTRICT'S EXCESS EXPENDITURE FACTOR.

11 (16) THE LOCAL EFFORT RATE FOR EACH SCHOOL DISTRICT SHALL BE
12 CALCULATED BY DIVIDING THE SCHOOL DISTRICT'S LOCAL EFFORT BY THE
13 SUM OF THE SCHOOL DISTRICT'S MARKET VALUE AND ADJUSTED PERSONAL
14 INCOME.

15 (17) THE LOCAL CAPACITY PER WEIGHTED STUDENT FOR EACH SCHOOL
16 DISTRICT SHALL BE CALCULATED AS FOLLOWS:

17 (I) MULTIPLY THE SUM OF THE SCHOOL DISTRICT'S MARKET VALUE
18 AND ADJUSTED PERSONAL INCOME BY THE STATE MEDIAN LOCAL EFFORT
19 RATE FOR ALL SCHOOL DISTRICTS.

20 (II) DIVIDE THE PRODUCT IN SUBPARAGRAPH (I) BY THE SUM OF
21 THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP, SPARSITY SIZE
22 ADJUSTMENT AND THE AMOUNTS DETERMINED FOR THE SCHOOL DISTRICT
23 UNDER SUBSECTION (B) (1) (II), (III), (IV), (V) AND (VI).

24 (18) THE LOCAL CAPACITY INDEX FOR EACH SCHOOL DISTRICT SHALL
25 BE CALCULATED AS FOLLOWS:

26 (I) FOR A SCHOOL DISTRICT WITH A LOCAL CAPACITY PER WEIGHTED
27 STUDENT EQUAL TO OR GREATER THAN THE STATE MEDIAN LOCAL CAPACITY
28 PER WEIGHTED STUDENT, THE LOCAL CAPACITY INDEX FOR THE SCHOOL
29 DISTRICT SHALL BE ZERO.

30 (II) FOR A SCHOOL DISTRICT WITH A LOCAL CAPACITY PER

1 WEIGHTED STUDENT LESS THAN THE STATE MEDIAN LOCAL CAPACITY PER
2 WEIGHTED STUDENT, THE LOCAL CAPACITY INDEX SHALL BE CALCULATED
3 AS FOLLOWS:

4 (A) DIVIDE THE SCHOOL DISTRICT'S LOCAL CAPACITY PER WEIGHTED
5 STUDENT BY THE STATE MEDIAN LOCAL CAPACITY PER WEIGHTED STUDENT
6 FOR ALL SCHOOL DISTRICTS.

7 (B) SUBTRACT THE QUOTIENT IN CLAUSE (A) FROM ONE (1).

8 (19) THE LOCAL EFFORT CAPACITY INDEX FOR EACH SCHOOL
9 DISTRICT SHALL BE CALCULATED BY ADDING THE SCHOOL DISTRICT'S
10 LOCAL EFFORT INDEX TO THE SCHOOL DISTRICT'S LOCAL CAPACITY
11 INDEX.

12 (C) THE DATA USED TO CALCULATE THE FACTORS IN THIS SECTION
13 SHALL BE BASED ON THE MOST RECENT YEAR FOR WHICH DATA IS
14 AVAILABLE AS DETERMINED BY THE DEPARTMENT OF EDUCATION. THE
15 AVERAGE DAILY MEMBERSHIP SHALL BE THE AVERAGE OF THE THREE (3)
16 MOST RECENT YEARS' AVERAGE DAILY MEMBERSHIP. THE AVERAGE DAILY
17 MEMBERSHIP USED IN SUBSECTION (B) (6), (7), (8), (13) AND (17)
18 SHALL BE BASED ON THE MOST RECENT YEAR'S AVERAGE DAILY
19 MEMBERSHIP. INFORMATION UTILIZED FROM THE UNITED STATES CENSUS
20 BUREAU SHALL BE FROM THE MOST RECENT AMERICAN COMMUNITY SURVEY
21 5-YEAR ESTIMATE OF THE UNITED STATES CENSUS BUREAU.

22 (D) THE APPROPRIATION FOR BASIC EDUCATION FORMULA
23 ENHANCEMENT MADE DURING THE 2015-2016 FISCAL YEAR SHALL BE USED
24 TO MAKE ALLOCATIONS UNDER THIS SECTION.

25 (E) ANY UNDISTRIBUTED FUNDS SHALL BE DEPOSITED IN THE
26 FINANCIAL RECOVERY DISTRICT TRANSITIONAL LOAN ACCOUNT.

27 SECTION 13. SECTION 2509.1 OF THE ACT IS AMENDED BY ADDING A
28 SUBSECTION TO READ:

29 SECTION 2509.1. PAYMENTS TO INTERMEDIATE UNITS.--* * *

30 (C.2) (1) FOR THE 2015-2016 SCHOOL YEAR, FIVE AND ONE-HALF

1 PERCENT (5.5%) OF THE STATE SPECIAL EDUCATION APPROPRIATION
2 SHALL BE PAID TO INTERMEDIATE UNITS ON ACCOUNT OF SPECIAL
3 EDUCATION SERVICES.

4 (2) THIRTY-FIVE PERCENT (35%) OF THE AMOUNT UNDER PARAGRAPH
5 (1) SHALL BE DISTRIBUTED EQUALLY AMONG ALL INTERMEDIATE UNITS.

6 (3) SIXTY-FIVE PERCENT (65%) OF THE AMOUNT UNDER PARAGRAPH
7 (1) SHALL BE DISTRIBUTED TO EACH INTERMEDIATE UNIT IN PROPORTION
8 TO THE NUMBER OF AVERAGE DAILY MEMBERSHIP OF THE COMPONENT
9 SCHOOL DISTRICTS OF EACH INTERMEDIATE UNIT AS COMPARED TO THE
10 STATEWIDE TOTAL AVERAGE DAILY MEMBERSHIP.

11 * * *

12 SECTION 14. SECTION 2509.5 OF THE ACT IS AMENDED BY ADDING A
13 SUBSECTION TO READ:

14 SECTION 2509.5. SPECIAL EDUCATION PAYMENTS TO SCHOOL
15 DISTRICTS.--* * *

16 (BBB) (1) DURING THE 2015-2016 SCHOOL YEAR AND EACH SCHOOL
17 YEAR THEREAFTER, EACH SCHOOL DISTRICT SHALL RECEIVE AN AMOUNT
18 EQUAL TO THE AMOUNT IT RECEIVED DURING THE 2013-2014 SCHOOL YEAR
19 UNDER SUBSECTION (AAA) AND A STUDENT-BASED ALLOCATION EQUAL TO
20 THE DIFFERENCE BETWEEN THE AMOUNT ALLOCATED FOR SPECIAL
21 EDUCATION PAYMENTS FOR SCHOOL DISTRICTS AND THE SUM OF THE
22 AMOUNTS PAID UNDER SUBSECTION (AAA) DURING THE 2013-2014 SCHOOL
23 YEAR TO ALL SCHOOL DISTRICTS. THE STUDENT-BASED ALLOCATION FOR
24 EACH SCHOOL DISTRICT SHALL BE CALCULATED AS FOLLOWS:

25 (I) MULTIPLY THE SUM OF THE SCHOOL DISTRICT'S WEIGHTED
26 SPECIAL EDUCATION STUDENT HEADCOUNT AND ITS SPARSITY/SIZE
27 ADJUSTMENT CALCULATED UNDER PARAGRAPH (2) (V) BY ITS MARKET
28 VALUE/INCOME AID RATIO AND ITS EQUALIZED MILLAGE MULTIPLIER
29 CALCULATED UNDER PARAGRAPH (2) (VI).

30 (II) MULTIPLY THE PRODUCT UNDER SUBPARAGRAPH (I) BY THE

1 TOTAL AMOUNT AVAILABLE FOR THE STUDENT-BASED ALLOCATION.

2 (III) DIVIDE THE PRODUCT UNDER SUBPARAGRAPH (II) BY THE SUM
3 OF THE PRODUCTS UNDER SUBPARAGRAPH (I) FOR ALL SCHOOL DISTRICTS.

4 (2) FOR THE PURPOSES OF PARAGRAPH (1) (I):

5 (I) THE WEIGHTED SPECIAL EDUCATION STUDENT HEADCOUNT SHALL
6 BE CALCULATED FOR EACH SCHOOL DISTRICT AS FOLLOWS:

7 (A) MULTIPLY THE NUMBER OF SPECIAL EDUCATION STUDENTS WHO
8 RESIDE IN THE SCHOOL DISTRICT FOR WHICH THE ANNUAL EXPENDITURE
9 IS LESS THAN TWENTY-FIVE THOUSAND DOLLARS (\$25,000), WHICH SHALL
10 BE KNOWN AS CATEGORY 1, BY ONE AND FIFTY-ONE HUNDREDTHS (1.51).

11 (B) MULTIPLY THE NUMBER OF SPECIAL EDUCATION STUDENTS WHO
12 RESIDE IN THE SCHOOL DISTRICT FOR WHICH THE ANNUAL EXPENDITURE
13 IS EQUAL TO OR GREATER THAN TWENTY-FIVE THOUSAND DOLLARS
14 (\$25,000), BUT LESS THAN FIFTY THOUSAND DOLLARS (\$50,000), WHICH
15 SHALL BE KNOWN AS CATEGORY 2, BY THREE AND SEVENTY-SEVEN
16 HUNDREDTHS (3.77).

17 (C) MULTIPLY THE NUMBER OF SPECIAL EDUCATION STUDENTS WHO
18 RESIDE IN THE SCHOOL DISTRICT FOR WHICH THE ANNUAL EXPENDITURE
19 IS EQUAL TO OR GREATER THAN FIFTY THOUSAND DOLLARS (\$50,000),
20 WHICH SHALL BE KNOWN AS CATEGORY 3, BY SEVEN AND FORTY-SIX
21 HUNDREDTHS (7.46).

22 (D) ADD THE PRODUCTS UNDER CLAUSES (A), (B) AND (C).

23 (II) THE SPARSITY RATIO SHALL BE CALCULATED FOR EACH SCHOOL
24 DISTRICT AS FOLLOWS:

25 (A) DIVIDE THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP
26 PER SQUARE MILE BY THE COMMONWEALTH'S AVERAGE DAILY MEMBERSHIP
27 PER SQUARE MILE.

28 (B) MULTIPLY THE QUOTIENT UNDER CLAUSE (A) BY ONE-HALF
29 (0.5).

30 (C) SUBTRACT THE PRODUCT UNDER CLAUSE (B) FROM ONE (1).

1 (III) THE SIZE RATIO FOR EACH SCHOOL DISTRICT SHALL BE
2 CALCULATED AS FOLLOWS:

3 (A) DIVIDE THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP BY
4 THE AVERAGE OF THE AVERAGE DAILY MEMBERSHIP OF ALL SCHOOL
5 DISTRICTS.

6 (B) MULTIPLY THE QUOTIENT UNDER CLAUSE (A) BY ONE-HALF
7 (0.5).

8 (C) SUBTRACT THE PRODUCT UNDER CLAUSE (B) FROM ONE (1).

9 (IV) THE SPARSITY/SIZE RATIO FOR EACH SCHOOL DISTRICT SHALL
10 BE CALCULATED BY ADDING FORTY PERCENT (40%) OF THE SPARSITY
11 RATIO AND SIXTY PERCENT (60%) OF THE SIZE RATIO.

12 (V) THE SPARSITY/SIZE ADJUSTMENT FOR EACH SCHOOL DISTRICT
13 SHALL BE CALCULATED AS FOLLOWS:

14 (A) FOR A SCHOOL DISTRICT WITH A SPARSITY/SIZE RATIO LESS
15 THAN OR EQUAL TO THE SPARSITY/SIZE RATIO THAT REPRESENTS THE
16 SEVENTIETH PERCENTILE OF THE SPARSITY/SIZE RATIO OF ALL SCHOOL
17 DISTRICTS, THE SCHOOL DISTRICT'S SPARSITY/SIZE ADJUSTMENT SHALL
18 BE ZERO (0).

19 (B) FOR A SCHOOL DISTRICT WITH A SPARSITY/SIZE RATIO GREATER
20 THAN THE SPARSITY/SIZE RATIO THAT REPRESENTS THE SEVENTIETH
21 PERCENTILE OF THE SPARSITY/SIZE RATIO OF ALL SCHOOL DISTRICTS,
22 THE SCHOOL DISTRICT'S SPARSITY/SIZE ADJUSTMENT SHALL BE
23 CALCULATED AS FOLLOWS:

24 (I) DIVIDE THE SCHOOL DISTRICT'S SPARSITY/SIZE RATIO BY THE
25 SPARSITY/SIZE RATIO THAT REPRESENTS THE SEVENTIETH PERCENTILE OF
26 THE SPARSITY/SIZE RATIO OF ALL SCHOOL DISTRICTS.

27 (II) SUBTRACT ONE (1) FROM THE QUOTIENT UNDER SUBCLAUSE (I).

28 (III) MULTIPLY THE REMAINDER UNDER SUBCLAUSE (II) BY ONE-
29 HALF (0.5).

30 (IV) MULTIPLY THE PRODUCT UNDER SUBCLAUSE (III) BY THE

1 SCHOOL DISTRICT'S WEIGHTED SPECIAL EDUCATION STUDENT HEADCOUNT.

2 (VI) THE EQUALIZED MILLAGE MULTIPLIER FOR EACH SCHOOL
3 DISTRICT SHALL BE CALCULATED AS FOLLOWS:

4 (A) FOR A SCHOOL DISTRICT WITH AN EQUALIZED MILLAGE RATE
5 GREATER THAN OR EQUAL TO THE EQUALIZED MILLAGE RATE THAT
6 REPRESENTS THE SEVENTIETH PERCENTILE OF THE EQUALIZED MILLAGE
7 RATE OF ALL SCHOOL DISTRICTS, THE SCHOOL DISTRICT'S EQUALIZED
8 MILLAGE MULTIPLIER SHALL BE ONE (1).

9 (B) FOR A SCHOOL DISTRICT WITH AN EQUALIZED MILLAGE RATE
10 LESS THAN THE EQUALIZED MILLAGE RATE THAT REPRESENTS THE
11 SEVENTIETH PERCENTILE OF THE EQUALIZED MILLAGE RATE OF ALL
12 SCHOOL DISTRICTS, THE SCHOOL DISTRICT'S EQUALIZED MILLAGE
13 MULTIPLIER SHALL BE CALCULATED BY DIVIDING THE SCHOOL DISTRICT'S
14 EQUALIZED MILLAGE RATE BY THE EQUALIZED MILLAGE RATE THAT
15 REPRESENTS THE SEVENTIETH PERCENTILE OF THE EQUALIZED MILLAGE
16 RATE OF ALL SCHOOL DISTRICTS.

17 (VII) THE DOLLAR RANGES FOR THE ANNUAL EXPENDITURE AMOUNTS
18 DESIGNATED AS CATEGORY 1, CATEGORY 2 AND CATEGORY 3 UNDER
19 SUBPARAGRAPH (I) SHALL BE BASED ON THE INFORMATION REPORTED TO
20 THE DEPARTMENT UNDER SECTION 1372(8).

21 (VIII) THE DATA USED TO CALCULATE THE WEIGHTED SPECIAL
22 EDUCATION STUDENT HEADCOUNT UNDER SUBPARAGRAPH (I) SHALL BE
23 BASED ON INFORMATION FROM THE MOST RECENT YEAR FOR WHICH DATA IS
24 AVAILABLE AS DETERMINED BY THE DEPARTMENT OF EDUCATION. THE DATA
25 USED TO CALCULATE THE PROVISIONS UNDER SUBPARAGRAPHS (II),
26 (III), (IV), (V) AND (VI) SHALL BE AVERAGED FOR THE THREE MOST
27 RECENT YEARS FOR WHICH DATA IS AVAILABLE AS DETERMINED BY THE
28 DEPARTMENT OF EDUCATION.

29 SECTION 15. SECTION 2509.8(E) OF THE ACT, ADDED DECEMBER 23,
30 2003 (P.L.304, NO.48), IS AMENDED AND THE SECTION IS AMENDED BY

1 ADDING A SUBSECTION TO READ:

2 SECTION 2509.8. EXTRAORDINARY SPECIAL EDUCATION PROGRAM
3 EXPENSES.--* * *

4 (E) FOR THE 2003-2004 SCHOOL YEAR [AND EACH SCHOOL YEAR
5 THEREAFTER] THROUGH THE 2013-2014 SCHOOL YEAR, THE DEPARTMENT OF
6 EDUCATION SHALL SET ASIDE ONE PERCENT (1%) OF THE SPECIAL
7 EDUCATION APPROPRIATION FOR EXTRAORDINARY EXPENSES INCURRED IN
8 PROVIDING A SPECIAL EDUCATION PROGRAM OR SERVICE TO ONE OR MORE
9 STUDENTS WITH DISABILITIES AS APPROVED BY THE SECRETARY OF
10 EDUCATION. SUCH SPECIAL EDUCATION PROGRAM OR SERVICE SHALL
11 INCLUDE, BUT NOT BE LIMITED TO, THE TRANSPORTATION OF STUDENTS
12 WITH DISABILITIES; SERVICES RELATED TO OCCUPATIONAL THERAPY,
13 PHYSICAL THERAPY, SPEECH AND LANGUAGE, HEARING IMPAIRMENTS OR
14 VISUAL IMPAIRMENTS; OR TRAINING IN ORIENTATION AND MOBILITY FOR
15 CHILDREN WHO ARE VISUALLY IMPAIRED OR BLIND.

16 (F) (I) FOR THE 2015-2016 SCHOOL YEAR AND EACH SCHOOL YEAR
17 THEREAFTER, AN AMOUNT EQUAL TO ONE PERCENT (1%) OF THE SPECIAL
18 EDUCATION APPROPRIATION SHALL BE DISTRIBUTED TO SCHOOL DISTRICTS
19 AND CHARTER SCHOOLS FOR EXTRAORDINARY EXPENSES INCURRED IN
20 PROVIDING A SPECIAL EDUCATION PROGRAM OR SERVICE TO ONE OR MORE
21 STUDENTS WITH DISABILITIES AS APPROVED BY THE SECRETARY OF
22 EDUCATION. SUCH SPECIAL EDUCATION PROGRAM OR SERVICE SHALL
23 INCLUDE, BUT NOT BE LIMITED TO, THE TRANSPORTATION OF STUDENTS
24 WITH DISABILITIES; SERVICES RELATED TO OCCUPATIONAL THERAPY,
25 PHYSICAL THERAPY, SPEECH AND LANGUAGE, HEARING IMPAIRMENTS OR
26 VISUAL IMPAIRMENTS; OR TRAINING IN ORIENTATION AND MOBILITY FOR
27 CHILDREN WHO ARE VISUALLY IMPAIRED OR BLIND.

28 (II) FUNDS DISTRIBUTED TO A SCHOOL DISTRICT OR CHARTER
29 SCHOOL UNDER THIS SUBSECTION SHALL BE ALLOCATED FOR STUDENTS FOR
30 WHICH EXPENSES ARE INCURRED ON AN ANNUAL BASIS THAT ARE EQUAL TO

1 OR GREATER THAN SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) AS
2 FOLLOWS:

3 (A) FOR A STUDENT FOR WHOM EXPENSES ARE EQUAL TO OR GREATER
4 THAN SEVENTY-FIVE THOUSAND DOLLARS (\$75,000) AND LESS THAN OR
5 EQUAL TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), SUBTRACT THE
6 STATE SUBSIDIES PAID ON BEHALF OF THE STUDENT TO THE SCHOOL
7 DISTRICT OR, FOR A STUDENT ENROLLED IN A CHARTER SCHOOL, THE
8 CHARTER SCHOOL PAYMENT RECEIVED BY THE CHARTER SCHOOL WHERE THE
9 CHILD IS ENROLLED FROM THE EXPENSE INCURRED FOR THE STUDENT AND
10 MULTIPLY THE DIFFERENCE BY THE SCHOOL DISTRICT'S OR CHARTER
11 SCHOOL'S MARKET VALUE/PERSONAL INCOME AID RATIO.

12 (B) FOR A STUDENT FOR WHICH EXPENSES ARE GREATER THAN ONE
13 HUNDRED THOUSAND DOLLARS (\$100,000), SUBTRACT THE STATE
14 SUBSIDIES PAID ON BEHALF OF THE STUDENT TO THE SCHOOL DISTRICT
15 OR, FOR A STUDENT ENROLLED IN A CHARTER SCHOOL, THE CHARTER
16 SCHOOL PAYMENT RECEIVED BY THE CHARTER SCHOOL WHERE THE CHILD IS
17 ENROLLED FROM THE EXPENSE INCURRED FOR THE STUDENT.

18 (III) NO SCHOOL DISTRICT OR CHARTER SCHOOL SHALL IN ANY
19 SCHOOL YEAR RECEIVE AN AMOUNT UNDER SUBCLAUSE (I) WHICH EXCEEDS
20 THE TOTAL AMOUNT OF FUNDING AVAILABLE MULTIPLIED BY THE
21 PERCENTAGE EQUAL TO THE GREATEST PERCENTAGE OF THE STATE'S
22 SPECIAL EDUCATION STUDENTS ENROLLED IN A SCHOOL DISTRICT OR
23 CHARTER SCHOOL.

24 SECTION 16. SECTION 2509.14 OF THE ACT, ADDED APRIL 25, 2013
25 (P.L.12, NO.3), IS REPEALED:

26 [SECTION 2509.14. SPECIAL EDUCATION FUNDING FOR ELIGIBLE
27 STUDENTS WITH DISABILITIES IN COST CATEGORY 3.--(A) FOR THE
28 2014-2015 SCHOOL YEAR AND EACH SCHOOL YEAR THEREAFTER, THE
29 DEPARTMENT OF EDUCATION SHALL SET ASIDE AN AMOUNT NOT LESS THAN
30 ONE PERCENT (1%) OF THE STATE SPECIAL EDUCATION APPROPRIATION

1 ABOVE THE LEVEL OF THE APPROPRIATION IN THE BASE YEAR. THE
2 DEPARTMENT OF EDUCATION SHALL DISTRIBUTE THIS AMOUNT AS PROVIDED
3 IN SUBSECTION (B).

4 (B) FOR THE 2014-2015 SCHOOL YEAR AND EACH SCHOOL YEAR
5 THEREAFTER, EACH SCHOOL DISTRICT IN THIS COMMONWEALTH SHALL
6 RECEIVE A PRO RATA SHARE OF THE AMOUNT SET ASIDE UNDER
7 SUBSECTION (A) BASED UPON THE NUMBER OF ELIGIBLE STUDENTS
8 RESIDING OR ENROLLED IN EACH SCHOOL DISTRICT AND CLASSIFIED IN
9 COST CATEGORY 3 DURING THE IMMEDIATELY PRECEDING SCHOOL YEAR.

10 (C) THE FUNDING PROVIDED UNDER THIS SECTION SHALL BE
11 ACCOUNTED FOR AS PART OF ACTUAL SPECIAL EDUCATION SPENDING AND
12 AS PART OF THE SPECIAL EDUCATION ALLOCATION RECEIVED BY A SCHOOL
13 DISTRICT, ACCORDING TO THE DEFINITIONS IN SECTION 2501. SCHOOL
14 DISTRICTS SHALL ALSO ACCOUNT FOR THE FUNDING PROVIDED UNDER THIS
15 SECTION AND THE RESULTING SERVICES AND SUPPORTS FOR ELIGIBLE
16 STUDENTS THROUGH THE SPECIAL EDUCATION PLANS, REVISIONS, UPDATES
17 AND AMENDMENTS REQUIRED BY SECTION 2509.15.]

18 SECTION 16.1. SECTION 2510.3 OF THE ACT, ADDED JULY 9, 2013
19 (P.L. , NO.59), IS AMENDED TO READ:

20 SECTION 2510.3. ASSISTANCE TO SCHOOL DISTRICTS DECLARED TO
21 BE IN FINANCIAL RECOVERY STATUS OR IDENTIFIED FOR FINANCIAL
22 WATCH STATUS.--(A) FOR THE 2013-2014 AND 2015-2016 FISCAL YEAR,
23 THE DEPARTMENT OF EDUCATION MAY UTILIZE UP TO FOUR MILLION FIVE
24 HUNDRED THOUSAND DOLLARS (\$4,500,000) OF UNDISTRIBUTED FUNDS NOT
25 EXPENDED, ENCUMBERED OR COMMITTED FROM APPROPRIATIONS FOR GRANTS
26 AND SUBSIDIES MADE TO THE DEPARTMENT OF EDUCATION TO ASSIST
27 SCHOOL DISTRICTS DECLARED TO BE IN FINANCIAL RECOVERY STATUS
28 UNDER SECTION 621-A OR IDENTIFIED FOR FINANCIAL WATCH STATUS
29 UNDER SECTION 611-A. THE FUNDS SHALL BE TRANSFERRED BY THE
30 SECRETARY OF THE BUDGET TO A RESTRICTED ACCOUNT AS NECESSARY TO

1 MAKE PAYMENTS UNDER THIS SECTION AND, WHEN TRANSFERRED, ARE
2 HEREBY APPROPRIATED TO CARRY OUT THE PROVISIONS OF THIS SECTION.

3 (B) FOR THE 2013-2014 FISCAL YEAR, THE AMOUNT OF SEVEN
4 MILLION FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000) OF
5 UNDISTRIBUTED FUNDS NOT EXPENDED, ENCUMBERED OR COMMITTED FROM
6 APPROPRIATIONS FOR GRANTS AND SUBSIDIES MADE TO THE DEPARTMENT
7 OF EDUCATION SHALL BE TRANSFERRED TO THE FINANCIAL RECOVERY
8 SCHOOL DISTRICT TRANSITIONAL LOAN ACCOUNT TO MAKE LOANS AS
9 PROVIDED UNDER SECTION 681-A.

10 SECTION 17. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

11 SECTION 2581. REIMBURSEMENT FOR SCHOOL DISTRICTS NOT
12 SUBMITTING REQUIRED DOCUMENTATION.-- (A) FOR A SCHOOL DISTRICT
13 THAT HAS RECEIVED DEPARTMENT OF EDUCATION APPROVAL FOR
14 COMMONWEALTH REIMBURSEMENT OF A CONSTRUCTION OR RECONSTRUCTION
15 PROJECT, BUT FAILS TO SUBMIT ALL ADDITIONAL PROJECT
16 DOCUMENTATION REQUESTED BY THE DEPARTMENT WITHIN NINETY (90)
17 DAYS AFTER THE DEPARTMENT'S REQUEST, THE DEPARTMENT SHALL MOVE:

18 (1) THE PROJECT BACK IN THE REIMBURSEMENT ORDER UNTIL SUCH
19 TIME AS THE SCHOOL DISTRICT COMPLIES WITH THE INFORMATION
20 REQUEST; AND

21 (2) OTHER PROJECTS UP IN THE REIMBURSEMENT ORDER.

22 (B) THE SECRETARY OF EDUCATION MAY GRANT WAIVERS TO SCHOOL
23 DISTRICTS THAT FAIL TO SUBMIT REQUESTED DOCUMENTATION UNDER
24 SUBSECTION (A) AND ARE IN THE PROCESS OF RECONCILING FINANCIAL
25 RECORDS OR ARE FACING LITIGATION OR BOND REFINANCING DELAYS.

26 SECTION 2582. PUBLIC SCHOOL BUILDING LEASE AND DEBT SERVICE
27 REIMBURSEMENTS FOR FISCAL YEAR 2015-2016.-- (A) FOR THE 2015-
28 2016 FISCAL YEAR, THE DEPARTMENT OF EDUCATION SHALL UTILIZE
29 UNDISTRIBUTED FUNDS NOT EXPENDED AS OF JUNE 20, 2015, FROM
30 APPROPRIATIONS FOR PAYMENT ON ACCOUNT OF ANNUAL RENTAL OR

1 SINKING FUND CHARGES ON SCHOOL BUILDINGS, INCLUDING CHARTER
2 SCHOOLS, TO MAKE REIMBURSEMENTS FOR SCHOOL BUILDING LEASES AND
3 DEBT SERVICE NECESSARY TO MAKE PAYMENTS IN FISCAL YEAR 2015-2016
4 UNDER THIS ARTICLE.

5 (B) THIS SECTION SHALL NOT INCLUDE REIMBURSEMENT FOR DEBT
6 SERVICE MEETING THE CRITERIA FOR BOND ISSUANCE UNDER ARTICLE
7 XXV-B.

8 SECTION 2599.6. READY-TO-LEARN BLOCK GRANTS.-- (A) FOR THE
9 2015-2016 SCHOOL YEAR, THE DEPARTMENT OF EDUCATION SHALL PAY TO
10 EACH SCHOOL ENTITY A READY-TO-LEARN BLOCK GRANT EQUAL TO THE
11 AMOUNT PAID DURING THE 2014-2015 SCHOOL YEAR UNDER SECTION 1722-
12 J OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS "THE
13 FISCAL CODE."

14 (B) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY,
15 THE REVENUES RECEIVED BY A SCHOOL DISTRICT UNDER THIS SECTION IN
16 AN AMOUNT EQUAL TO THE AMOUNT RECEIVED BY THE SCHOOL DISTRICT
17 UNDER SECTION 1722-J(21) (II) OF "THE FISCAL CODE" SHALL NOT BE
18 INCLUDED IN THE SCHOOL DISTRICT'S BUDGETED TOTAL EXPENDITURE PER
19 AVERAGE DAILY MEMBERSHIP USED TO CALCULATE THE AMOUNT TO BE PAID
20 TO A CHARTER SCHOOL UNDER SECTION 1725-A(A) (2) AND (3).

21 (C) FOR THE PURPOSE OF THIS SECTION, A "SCHOOL ENTITY" MEANS
22 A SCHOOL DISTRICT, CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

23 SECTION 18. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

24 ARTICLE XXV-B

25 SCHOOL DISTRICT DEBT REFINANCING BONDS

26 SECTION 2501-B. DEFINITIONS.

27 THE FOLLOWING WORDS AND PHRASES, WHEN USED IN THIS ARTICLE,
28 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
29 CONTEXT CLEARLY INDICATES OTHERWISE:

30 "APPROVED RENTAL OR SINKING FUND CHARGES." THE TERM SHALL

1 HAVE THE SAME MEANING AND SHALL CONSIST OF APPROVED REIMBURSABLE
2 RENTAL FOR LEASES AND APPROVED REIMBURSABLE SINKING FUND CHARGES
3 ON INDEBTEDNESS AS DEFINED IN SUBARTICLE (F) OF ARTICLE XXV.

4 "AUTHORITY." THE STATE PUBLIC SCHOOL BUILDING AUTHORITY.

5 "BOND." AS DEFINED IN SECTION 2(D) OF THE ACT OF JULY 5,
6 1947 (P.L.1217, NO.498), KNOWN AS THE STATE PUBLIC SCHOOL
7 BUILDING AUTHORITY ACT.

8 "BOND OBLIGATIONS." THE PRINCIPAL OF A BOND AND ANY PREMIUM
9 AND INTEREST PAYABLE ON A BOND, TOGETHER WITH ANY AMOUNT OWED
10 UNDER A RELATED AGREEMENT OR A RELATED RESOLUTION OF THE
11 AUTHORITY AUTHORIZING A BOND, TOGETHER WITH ANY ADMINISTRATIVE
12 EXPENSES INCURRED IN CONNECTION THEREWITH.

13 "CALL DATE." THE DATE ON WHICH ANY SCHOOL DISTRICT DEBT MAY
14 BE REDEEMED BEFORE MATURITY.

15 "DEPARTMENT." THE DEPARTMENT OF EDUCATION OF THE
16 COMMONWEALTH.

17 "DISTRICT DEBT" OR "DEBT." ANY OBLIGATION OF A SCHOOL
18 DISTRICT CONSTITUTING DEBT UNDER EITHER THIS ACT OR 53 PA.C.S.
19 PT. VII SUBPT. B (RELATING TO INDEBTEDNESS AND BORROWING) WHICH
20 IS ELIGIBLE FOR REFUNDING UNDER THE PROVISIONS OF THIS ARTICLE.

21 "FINANCING LAW." THE ACT OF JULY 5, 1947 (P.L.1217, NO.498),
22 KNOWN AS THE STATE PUBLIC SCHOOL BUILDING AUTHORITY ACT.

23 "PROJECT." AS DEFINED IN SECTION 2(C) OF THE ACT OF JULY 5,
24 1947 (P.L.1217, NO.498), KNOWN AS THE STATE PUBLIC SCHOOL
25 BUILDING AUTHORITY ACT.

26 "REIMBURSEMENT PERCENTAGE." AS IT RELATES TO DISTRICT DEBT,
27 AN AMOUNT DETERMINED BY MULTIPLYING THE DISTRICT'S AID RATIO BY
28 THE APPROVED REIMBURSABLE RENTAL OR APPROVED REIMBURSABLE
29 SINKING FUND CHARGE.

30 SECTION 2502-B. BOND ISSUANCE.

1 (A) DECLARATION OF POLICY.--THE GENERAL ASSEMBLY FINDS AND
2 DECLARES THAT FUNDING THE PAYMENT OF REIMBURSEMENTS TO SCHOOL
3 DISTRICTS FOR PROJECTS, THROUGH THE AUTHORITY, IS IN THE BEST
4 INTEREST OF THE COMMONWEALTH.

5 (B) AUTHORITY.--NOTWITHSTANDING ANY OTHER LAW, THE AUTHORITY
6 SHALL ISSUE BONDS ON BEHALF OF SCHOOL DISTRICTS TO PROVIDE
7 REIMBURSEMENTS FROM THE COMMONWEALTH AS REQUIRED UNDER
8 SUBARTICLE (F) OF ARTICLE XXV FOR APPROVED RENTAL OR SINKING
9 FUND CHARGES.

10 (C) DEBT OR LIABILITY.--

11 (1) BONDS ISSUED UNDER THIS ARTICLE SHALL NOT BE A DEBT
12 OR LIABILITY OF THE COMMONWEALTH AND SHALL NOT CREATE OR
13 CONSTITUTE ANY INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE
14 COMMONWEALTH.

15 (2) BOND OBLIGATIONS SHALL BE PAYABLE SOLELY FROM
16 REVENUES OR FUNDS PLEDGED OR AVAILABLE FOR REPAYMENT AS
17 AUTHORIZED IN THIS ARTICLE.

18 (3) EACH BOND MUST CONTAIN ON ITS FACE A STATEMENT THAT:

19 (I) THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL
20 OF OR INTEREST ON THE BONDS ONLY FROM FUNDS PLEDGED UNDER
21 THIS ARTICLE.

22 (II) NEITHER THE COMMONWEALTH NOR ANY SCHOOL
23 DISTRICT IS OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST
24 ON THE BONDS.

25 (III) THE FULL FAITH AND CREDIT OF THE COMMONWEALTH
26 OR OF ANY SCHOOL DISTRICT IS NOT PLEDGED TO THE PAYMENT
27 OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS.

28 SECTION 2503-B. CRITERIA FOR BOND ISSUANCE.

29 (A) DETERMINATION.--

30 (1) THE DEPARTMENT SHALL DIRECT EACH SCHOOL DISTRICT IN

1 THE COMMONWEALTH THAT HAS NOT YET RECEIVED ITS FULL
2 REIMBURSEMENT FOR APPROVED RENTAL OR SINKING FUND CHARGES
3 UNDER SUBARTICLE (F) OF ARTICLE XXV TO REFINANCE THAT PORTION
4 OF THE DISTRICT DEBT THAT WAS INCURRED FOR PROJECTS THAT ARE
5 CURRENTLY RECEIVING REIMBURSEMENTS FOR CONSTRUCTION COSTS IN
6 SUCH AMOUNTS AS CALCULATED UNDER THE PROVISIONS OF THIS
7 ARTICLE.

8 (2) SCHOOL DISTRICTS THAT SUBMITTED A COMPLETED INITIAL
9 SCHOOL CONSTRUCTION OR RECONSTRUCTION PROJECT APPLICATION TO
10 THE DEPARTMENT BEFORE OCTOBER 1, 2012, AND HAVE INCURRED DEBT
11 TO PAY FOR AN ELIGIBLE PROJECT SHALL BE DEEMED TO BE
12 CURRENTLY RECEIVING REIMBURSEMENT FOR APPROVED RENTAL OR
13 SINKING FUND CHARGES.

14 (3) FOR THE PURPOSES OF REFINANCING DEBT UNDER THIS
15 SECTION, THE SCHOOL DISTRICTS SHALL UTILIZE THE AUTHORITY AS
16 THE ISSUER OF THE BONDS.

17 (4) THE DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE TO
18 THE AUTHORITY AND SCHOOL DISTRICTS THAT REFINANCE THEIR DEBT
19 UNDER THIS ARTICLE.

20 (B) TERMS.--

21 (1) A SCHOOL DISTRICT, WITH THE APPROVAL OF THE
22 DEPARTMENT, SHALL REFINANCE ITS DISTRICT DEBT THROUGH THE
23 AUTHORITY IN SUCH AMOUNTS CALCULATED AS FOLLOWS:

24 (I) FOR DISTRICT DEBT WHERE THE CALL DATE HAS NOT
25 BEEN REACHED, THE SUM OF THE PRINCIPAL AND INTEREST
26 PAYMENTS DUE TO THE CALL DATE MULTIPLIED BY THE SCHOOL
27 DISTRICT'S REIMBURSEMENT PERCENTAGE FOR THE DISTRICT DEBT
28 BEING REFINANCED PLUS THE SUM OF THE PRINCIPAL DUE AFTER
29 THE CALL DATE MULTIPLIED BY THE DISTRICT'S REIMBURSEMENT
30 PERCENTAGE FOR THE DISTRICT DEBT BEING REFINANCED PLUS

1 THE COST INCURRED IN CONNECTION WITH THE ISSUANCE OF THE
2 BONDS.

3 (II) FOR DISTRICT DEBT WHERE THE CALL DATE HAS BEEN
4 REACHED, THE PRINCIPAL DUE AND INTEREST TO THE REDEMPTION
5 DATE MULTIPLIED BY THE DISTRICT'S REIMBURSEMENT
6 PERCENTAGE FOR THE DEBT BEING REFINANCED PLUS THE COST
7 INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

8 (2) THE MAXIMUM TERM OF THE BONDS TO BE ISSUED BY THE
9 AUTHORITY MAY NOT EXCEED 30 YEARS.

10 (3) THE TOTAL PRINCIPAL AMOUNT OF BONDS ISSUED BY THE
11 AUTHORITY UNDER THIS ARTICLE MAY NOT EXCEED THE AMOUNT
12 DETERMINED UNDER THIS ARTICLE TO REIMBURSE ELIGIBLE DISTRICT
13 DEBT.

14 SECTION 2504-B. ISSUANCE OF BONDS AND SECURITY.

15 (A) ISSUANCE.--BONDS ISSUED BY THE AUTHORITY UNDER THIS
16 ARTICLE SHALL BE SUBJECT TO THE PROVISIONS OF THE FINANCING LAW,
17 UNLESS OTHERWISE SPECIFIED BY THIS ARTICLE.

18 (B) REFINANCING.--THE AUTHORITY IS HEREBY AUTHORIZED TO
19 REFINANCE DISTRICT DEBT.

20 (C) AGREEMENTS.--THE AUTHORITY AND A SCHOOL DISTRICT MAY
21 ENTER INTO LOAN AGREEMENTS, LETTERS OF CREDIT, PLEDGE
22 AGREEMENTS, CREDIT AGREEMENTS, BOND PURCHASE AGREEMENTS AND
23 OTHER CONTRACTS, INSTRUMENTS AND AGREEMENTS THAT:

24 (1) ENHANCE THE MARKETABILITY, SECURITY OR
25 CREDITWORTHINESS OF THE BONDS; OR

26 (2) EFFECTUATE THE PURPOSES OF THE FINANCING LAW AND
27 THIS ARTICLE.

28 (D) SECURITY.--THE PRINCIPAL OF OR PREMIUM, IF ANY, OR
29 INTEREST ON ANY BONDS ISSUED BY THE AUTHORITY UNDER THIS ARTICLE
30 ARE SECURED SOLELY BY A SCHOOL DISTRICT'S PLEDGE AND ASSIGNMENT

1 TO THE AUTHORITY OF THE SCHOOL DISTRICT'S STATE REIMBURSEMENT
2 ASSOCIATED WITH THE DISTRICT DEBT BEING REFINANCED WITH THE
3 PROCEEDS OF THE BONDS. THE SCHOOL DISTRICT'S PLEDGE OF SECURITY
4 AS DESCRIBED HEREIN MAY BE CONTAINED IN ONE OR MORE OF THE
5 AGREEMENTS AS DESCRIBED IN SECTION 2504-B(C). SUCH AGREEMENTS
6 SHALL COLLECTIVELY INCLUDE THE FOLLOWING PROVISIONS:

7 (1) A SCHOOL DISTRICT SHALL RELINQUISH ANY CLAIMS TO
8 FURTHER REIMBURSEMENT FOR APPROVED RENTAL OR SINKING FUND
9 CHARGES FOR DISTRICT DEBT REFINANCED UNDER SECTION 2503-B.

10 (2) THE COMMONWEALTH SHALL ACCEPT AND ACKNOWLEDGE EACH
11 SCHOOL DISTRICT'S PLEDGE OF ITS STATE REIMBURSEMENT FOR
12 APPROVED RENTAL OR SINKING FUND CHARGES. SUCH ACCEPTANCE AND
13 ACKNOWLEDGMENT BY THE COMMONWEALTH SHALL INCLUDE THE
14 FOLLOWING PROVISIONS:

15 (I) THE RIGHT OF THE SCHOOL DISTRICT AND ITS ASSIGNS
16 TO RECEIVE STATE REIMBURSEMENT FOR APPROVED RENTAL OR
17 SINKING FUND CHARGES IS SUBJECT TO ANNUAL APPROPRIATION
18 BY THE GENERAL ASSEMBLY.

19 (II) IF INSUFFICIENT FUNDS ARE APPROPRIATED IN A
20 FISCAL YEAR FOR THE PLEDGED PAYMENTS OF APPROVED RENTAL
21 OR SINKING FUND CHARGES DUE TO THE SCHOOL DISTRICT UNDER
22 ANY AGREEMENT DESCRIBED IN SUBSECTION (C), THE DEPARTMENT
23 SHALL IMMEDIATELY NOTIFY EACH PARTY TO SUCH AGREEMENT AND
24 THE AGREEMENT SHALL TERMINATE ON THE LAST DAY OF THE
25 FISCAL YEAR FOR WHICH SUCH APPROPRIATIONS WERE MADE.

26 (C) AGREEMENT NOT TO BE TERMINATED.--NOTWITHSTANDING THE
27 PROVISIONS OF THIS SUBSECTION, THE COMMONWEALTH AGREES THAT IT
28 MAY NOT TERMINATE THE AGREEMENT OF ANY SCHOOL DISTRICT UNDER THE
29 PROVISIONS OF THIS SECTION IF ANY FUNDS ARE APPROPRIATED IN A
30 FISCAL YEAR TO ANY RECIPIENT FOR APPROVED RENTAL OR SINKING FUND

1 CHARGES.

2 SECTION 2505-B. (RESERVED).

3 SECTION 2506-B. USE OF BOND PROCEEDS.

4 (A) ORDER.--THE PROCEEDS OF THE BONDS ISSUED BY THE
5 AUTHORITY SHALL BE LOANED TO EACH PARTICIPATING SCHOOL DISTRICT,
6 AND SHALL BE USED AS FOLLOWS:

7 (1) THE SCHOOL DISTRICT MAY REIMBURSE ITS GENERAL FUND
8 FOR PAYMENTS MADE BY SUCH SCHOOL DISTRICT IN AMOUNTS EQUAL TO
9 ITS APPROVED RENTAL AND SINKING FUND CHARGES NOT PREVIOUSLY
10 REIMBURSED BY THE COMMONWEALTH.

11 (2) PROCEEDS OF THE BONDS IN SUCH AMOUNT TO SATISFY THE
12 PAYMENT OBLIGATIONS AS STATED IN SUBPARAGRAPH (I) AND (II)
13 SHALL BE IRREVOCABLY ESCROWED BY EACH SCHOOL DISTRICT FOR
14 DISBURSEMENT AS FOLLOWS:

15 (I) FOR DISTRICT DEBT WHERE THE CALL DATE HAS NOT
16 BEEN REACHED:

17 (A) FOR EACH PAYMENT OF PRINCIPAL OR INTEREST
18 PRIOR TO THE CALL DATE, FOR PAYMENT OF AN AMOUNT
19 EQUAL TO THAT INSTALLMENT OF PRINCIPAL OR INTEREST
20 MULTIPLIED BY THE SCHOOL DISTRICT'S REIMBURSEMENT
21 PERCENTAGE.

22 (B) AT THE CALL DATE, FOR THE REDEMPTION OR
23 PREPAYMENT OF A PRO RATA SHARE OF EACH REMAINING
24 PRINCIPAL PAYMENT EQUAL TO EACH REMAINING PRINCIPAL
25 PAYMENT MULTIPLIED BY THE SCHOOL DISTRICT'S
26 REIMBURSEMENT PERCENTAGE.

27 (II) FOR DISTRICT DEBT WHERE THE CALL DATE HAS BEEN
28 REACHED:

29 (A) AN AMOUNT EQUAL TO THE INTEREST ACCRUED TO
30 THE FIRST AVAILABLE REDEMPTION DATE FOLLOWING BOND

1 ISSUANCE MULTIPLIED BY THE SCHOOL DISTRICT'S
2 REIMBURSEMENT PERCENTAGE.

3 (B) FOR THE REDEMPTION OR PREPAYMENT OF A PRO
4 RATA SHARE OF EACH REMAINING PRINCIPAL PAYMENT EQUAL
5 TO EACH REMAINING PRINCIPAL PAYMENT MULTIPLIED BY THE
6 DISTRICT'S REIMBURSEMENT PERCENTAGE.

7 (3) THE PROCEEDS OF THE BONDS MAY BE USED TOWARD SUCH
8 OTHER PURPOSES AS AUTHORIZED BY THIS ARTICLE AND THE
9 FINANCING LAW.

10 SECTION 2507-B. COMMONWEALTH NOT TO IMPAIR BOND OBLIGATIONS.

11 THE COMMONWEALTH PLEDGES THAT IT SHALL NOT DO ANY OF THE
12 FOLLOWING:

13 (1) LIMIT OR ALTER THE RIGHTS AND RESPONSIBILITIES OF
14 THE AUTHORITY OR A SCHOOL DISTRICT UNDER THIS ARTICLE,
15 INCLUDING THE RESPONSIBILITY TO:

16 (I) PAY BOND OBLIGATIONS.

17 (II) COMPLY WITH ANY OTHER INSTRUMENT OR AGREEMENT
18 PERTAINING TO THE BONDS.

19 (2) ALTER OR LIMIT THE SECURITY INTEREST GRANTED IN
20 SECTION 2504-B(D).

21 (3) IMPAIR THE RIGHTS AND REMEDIES OF THE HOLDERS OF
22 BONDS, UNTIL ALL BONDS AT ANY TIME ISSUED, TOGETHER WITH THE
23 INTEREST THEREON, ARE FULLY MET AND DISCHARGED.

24 SECTION 2508-B. NO PERSONAL LIABILITY.

25 THE MEMBERS, DIRECTORS, OFFICERS AND EMPLOYEES OF A SCHOOL
26 DISTRICT, THE DEPARTMENT AND THE AUTHORITY SHALL NOT BE
27 PERSONALLY LIABLE AS A RESULT OF GOOD FAITH EXERCISE OF THE
28 RIGHTS AND RESPONSIBILITIES GRANTED UNDER THIS ARTICLE.

29 SECTION 2509-B. PROFESSIONAL SERVICES.

30 FOR THE PURPOSES OF MAKING OR APPROVING CONTRACTS OF EVERY

1 NAME AND NATURE AND EXECUTING ALL NECESSARY INSTRUMENTS,
2 INCLUDING CONTRACTS FOR LEGAL AND PROFESSIONAL SERVICES, UNDER
3 THIS ARTICLE, THE AUTHORITY SHALL BE AN INDEPENDENT AGENCY AS
4 DEFINED IN SECTION 101 OF THE ACT OF OCTOBER 15, 1980 (P.N.950,
5 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT. ALL
6 PROFESSIONAL SERVICES NECESSARY TO IMPLEMENT THIS ARTICLE SHALL
7 BE SELECTED OR APPROVED BY A MAJORITY VOTE OF THE MEMBERS OF THE
8 GOVERNING BODY OF THE AUTHORITY.

9 SECTION 2510-B. EXPIRATION.

10 THE AUTHORITY TO ISSUE BONDS UNDER THIS ARTICLE SHALL EXPIRE
11 JUNE 30, 2016.

12 SECTION 19. REPEALS ARE AS FOLLOWS:

13 (1) THE GENERAL ASSEMBLY FINDS THAT THE REPEAL UNDER
14 PARAGRAPH (2) IS NECESSARY FOR THE ADDITION OF ARTICLE XIX-G
15 OF THE ACT.

16 (2) ARTICLE XVII-E.1 OF THE ACT OF APRIL 9, 1929
17 (P.L.343, NO. 176), KNOWN AS THE FISCAL CODE, IS REPEALED.

18 SECTION 20. THE ADDITION OF ARTICLE XIX-G OF THE ACT IS A
19 CONTINUATION OF FORMER ARTICLE XVII-E.1 OF THE ACT OF APRIL 9,
20 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE. THE FOLLOWING
21 APPLY:

22 (1) EXCEPT AS OTHERWISE PROVIDED IN ARTICLE XIX-G OF THE
23 ACT, ALL ACTIVITIES INITIATED UNDER FORMER ARTICLE XVII-E.1
24 OF THE FISCAL CODE SHALL CONTINUE AND REMAIN IN FULL FORCE
25 AND EFFECT AND MAY BE COMPLETED UNDER ARTICLE XIX-G OF THE
26 ACT. ORDERS, REGULATIONS, RULES AND DECISIONS WHICH WERE MADE
27 UNDER FORMER ARTICLE XVII-E.1 OF THE FISCAL CODE AND WHICH
28 ARE IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION SHALL
29 REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED, VACATED OR
30 MODIFIED UNDER ARTICLE XIX-G OF THE ACT. CONTRACTS,

1 OBLIGATIONS AND COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO
2 UNDER FORMER ARTICLE XVII-E.1 OF THE FISCAL CODE ARE NOT
3 AFFECTED NOR IMPAIRED BY THE REPEAL OF FORMER ARTICLE XVII-
4 E.1 OF THE FISCAL CODE.

5 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE
6 IN LANGUAGE BETWEEN ARTICLE XIX-G OF THE ACT AND FORMER
7 ARTICLE XVII-E.1 OF THE FISCAL CODE IS INTENDED ONLY TO
8 CONFORM TO THE STYLE OF THE PUBLIC SCHOOL CODE OF 1949 AND IS
9 NOT INTENDED TO CHANGE OR AFFECT THE LEGISLATIVE INTENT,
10 JUDICIAL CONSTRUCTION OR ADMINISTRATION AND IMPLEMENTATION OF
11 FORMER ARTICLE XVII-E.1 OF THE FISCAL CODE.

12 (3) PARAGRAPH (2) DOES NOT APPLY TO THE ADDITION OF THE
13 FOLLOWING PROVISIONS:

14 (I) SECTIONS 1901.1-G AND 1901.2-G OF THE ACT.

15 (II) THE REFERENCE TO JUNE 30, 2016, IN SECTION
16 1906-G(A) OF THE ACT.

17 (4) ANY REFERENCE IN ANY ACT TO FORMER ARTICLE XVII-E.1
18 OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS THE
19 FISCAL CODE, SHALL BE CONSIDERED TO BE A REFERENCE TO ARTICLE
20 XIX-G OF THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS
21 THE PUBLIC SCHOOL CODE OF 1949.

22 SECTION 21. THIS ACT SHALL TAKE EFFECT JULY 1, 2015, OR
23 IMMEDIATELY, WHICHEVER IS LATER.