



June 19, 2015

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PSBA Legislative Report

The General Assembly was in session this week, and will return to session on Monday, June 22. With the June 30 budget deadline nearing, the Senate will be in session Monday through Friday, and the House plans to be in session all of next week and through the weekend.

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PSBA calls for PlanCon reform at Capitol news event

This week PSBA President Elect Kathy Swope; Lewisburg Area School District Superintendent Mark DiRocco; and Southern Columbia Area School District Superintendent Paul Caputo represented PSBA during a news conference with Rep. Seth Grove (R-York) and Sen. John Eichelberger (R-Blair) to support proposed PlanCon reform legislation. [House Bill 210](#) and [Senate Bill 694](#) would create a simplified new process known as the Accountability and Reducing Costs in Construction Process, or ARCCon. The school officials emphasized the need for reform to the current for state reimbursement for school construction projects, describing problems they have experienced in their districts. [Click here to read more.](#)

BEF Commission releases school funding plan; legislation to be advanced

This week the Basic Education Funding Commission released its recommendations for a new formula for distributing basic education funding to school districts. The new formula will benefit school districts, children and parents by using factors reflecting student and community differences such as poverty, local effort and capacity, and rural and small district conditions. The recommendations also maintain hold harmless using the current year as the base, protecting those affected districts from redistribution of existing funds. [Click here to read the BEFC's executive summary of report.](#)

Bills generally aligned with the commission's recommendations are expected to be introduced by Sen. Lloyd Smucker (R-Lancaster) and Rep. Saylor (R-York). One issue that will be a decision of the General Assembly is the timing and application of the new formula.

PSBA was at the Capitol yesterday when the BEF Commission released its report, and Senior Director

of Government Affairs John Callahan was able to speak with three of the panel members. **Watch these three video interviews with [Sen. Patrick Browne](#) (R-Lehigh), [Sen. Lloyd Smucker](#) (R-Lancaster), and [Rep. Mike Vereb](#) (R-Montgomery).**

House passes Child Protection Bill with PSBA amendments

This week the House passed [House Bill 1276](#) (Rep. Watson, R-Bucks), which makes a number of clarifying changes to the Child Protective Services Law (CPSL) as it had been updated in 2014. This “clean-up” bill was amended to contain a number of technical and substantive changes, especially with respect to the requirements for volunteers. PSBA worked intensively with several legislators and staff in offering recommendations and corrections, and was able to secure an amendment sponsored by Rep. Kristin Phillips-Hill (R-York) that ensured clarity and consistency for who is a mandated reporter, certifications for volunteers, and details for who is responsible for a child’s welfare (and needs certifications under the CPSL) when a student participates in a work study, co-op, or similar school work experience. Furthermore, this amendment ensures clarity in which school employees are subject to background check provisions.

Additionally, PSBA supported two amendments offered on the floor: an amendment offered by Rep. Todd Stephens (R-Montgomery) that both clarifies a certain threshold above which volunteers would need background checks and corrected changes that House Bill 1276 would have originally made to narrow the scope of mandated reporters; and a technical amendment offered by the bill’s sponsor, Rep. Watson.

Other provisions amended into the bill on the floor include:

- A waiver of PA background check fees for volunteers (does not include the federal FBI check);
- A background check exemption for universities and employers having contact with a child 16 years of age and older when the child is a student, prospective student, or participating in an internship or work study program with that university or employer;
- A certification or recertification in which a federal criminal history check is required is now needed every 60 months, rather than every 36 months.

On a related note, this week the Senate Appropriations Committee approved [Senate Bill 862](#) (Sen. Lloyd Smucker, R-Lancaster), which amends the Public School Code to align the requirements and timeframes for school employees submission of state and federal criminal history record checks and child abuse history clearances with the recent amendments to the Child Protective Services Law (CPSL). A technical amendment was added to the bill.

Mandate bills move out of House committee

This week the House Education Committee approved two mandate relief bills supported by PSBA. [House Bill 1119](#) (Rep. Phillips-Hill, R-York) allows school boards to seek a waiver from the PA Department of Education (PDE) of various requirements under the School Code, some regulations of the State Board of Education, as well as provisions of the Separations Act, Prevailing Wage Act, and the Steel Products Procurement Act. In addition, House Bill 1119 allows public schools to satisfy many of their legal notice requirements by publishing notices on the public school’s website.

[House Bill 1112](#) (Rep. Brown, R-Monroe) requires the State Board of Education in conjunction with an advisory commission to identify unnecessary data collection/reporting mandates on public schools and issue a report of its findings and recommendations. Those identified data collection requirements that are not required by law or regulation would be terminated at the end of the school year following the issuance of the report. Among the amendments added to the bill was language to add a school director to the advisory committee.

House amends economic furlough, tenure reform bill; ready for final vote

This week the House amended [House Bill 805](#) (Rep. Bloom, R- Cumberland), legislation that makes reforms to current practices for furlough and tenure of professional employees.

The bill was amended to remove the current language of the bill and insert a “compromise amendment” relating to the suspension of a professional employee due to economic reasons. The bill ends the practice of “last in, first out” regarding furloughs by allowing districts to use performance evaluations to determine the order that employees are furloughed in times of economic need. Employees with a rating of “distinguished” in their most recent three evaluations may not be suspended. House Bill 805 also requires an equal percentage proportion of administrative staff to be furloughed, but allows for

exemptions of any five administrative staff positions and also allows for waivers from the requirement. In addition, the bill allows a superintendent to delay the awarding of tenure for one additional year (currently granted after three years) if the superintendent believes further evaluation is necessary prior to certifying the work as satisfactory. The provisions would apply to professional employees initially hired by a school district on or after June 30, 2015.

PSBA is supporting the bill because it allows school districts to make furlough decisions without being restricted by seniority rules. Please contact your House members and ask for their support for House Bill 805. [Click here to get a listing of House members and their contact information.](#)

Latest News

In Senate floor action:

Delay in Graduation Requirements (Keystone Exams) --The Senate unanimously passed [Senate Bill 880](#), legislation that amends the School Code to delay the implementation of the Keystone Exams as a graduation requirement or a benchmark for the need to participation in a project-based assessment until the 2018-19 school year. Under new requirements, students in the class of 2017 must pass the Keystone Exams in algebra, literature, and biology, or an extensive project-based assessment, in order to graduate.

The Senate Judiciary Committee approved:

Cyber Harassment -- [House Bill 229](#) (Rep. Marsico, R-Dauphin) amends the Crimes Code to create the offense of cyber harassment of a child. A person commits the crime of cyber harassment of a child if, with intent to harass, annoy or alarm, the person engages in a continuing course of conduct that involves communicating directly to a child by electronic means such as e-mail or by publication through an electronic social media service. This communication must include seriously disparaging statements or opinions about the child's physical characteristics, sexuality, sexual activity, or mental or physical health or condition; or threats to inflict harm.

House action:

The House passed:

Vaping Prohibition in Schools -- [House Bill 954](#) (Rep. Rapp, R-Warren) prohibits the sale of e-cigarettes and related products to minors and prohibits the possession or use of nicotine products or e-cigarettes in school buildings, school buses or school property. The bill is now in the Senate Judiciary Committee for further consideration.

Local Tax Enabling Act -- [House Bill 1256](#) (Rep. Masser, R-Northumberland) amends the Local Tax Enabling Act to update the calculation of the maximum Earned Income Tax (EIT) rate that may be utilized when a school district or municipality eliminates its occupation tax.. Currently, if a school district or municipality converts their occupation tax to an earned income tax, they are only permitted to generate the amount of revenue collected by the occupation tax in calendar year 2008 for municipalities and fiscal year ending in 2009 for school districts. This restriction is a disincentive for a school district or municipality to eliminate their occupation tax. House Bill 1256 eliminates the need for the General Assembly to constantly update the Local Tax Enabling Act with respect to eliminating an occupation tax. The bill is now in the Senate Finance Committee.

Pension reform update:

This week the **Public Employee Retirement Commission** considered the actuarial note for [House Bill 727](#) (Rep. Kampf, R-Chester), which would create a mandatory defined contribution ("DC") plan for all future state and school employees. PERC staff said there are significant differences in opinions of actuaries. One analysis in the note found the Public School Employees Retirement System (PSERS) would have a cost of \$28 billion and the state system (SERS) would have a cost of about \$3 billion; another analysis found \$5 billion cost for PSERS and \$3 billion savings for SERS, due to the fact that the two systems have different normal costs. Commission members raised concerns because the range between the two actuaries is significant and there are various policy considerations regarding the plan, investment and transition costs.

In a separate meeting this week, PERC considered the actuarial note for [House Bill 900](#) (Rep. McGinnis, R-Blair), which amortizes the current unfunded accrued liabilities and any new unfunded liabilities of the state and public school retirement systems over 20 years with level dollar funding. The

temporary collars under Act 120 would be removed. PERC staff said there are overall measurable savings with \$13 billion for PSERS on a cash flow basis and \$6.9 billion assuming a fresh start and \$7.2 billion assuming no fresh start on a cash flow basis. However, the plan does require an increase in budgetary costs to pay for the plan.

On the Hill: Upcoming Meetings

Upcoming events currently scheduled include:

Tuesday, June 23

* The **House State Government Committee** will consider [Senate Bill 645](#) (Sen. Stefano, R -Fayette) requires public employers to post any proposed collective bargaining agreement on their website within 48 hours of receipt. Notice of the proposed agreement must be posted online both two weeks prior to and 30 days following the signing of the collective bargaining agreement. The posting must include a statement of the terms of the proposed collective bargaining agreement, as well as estimate of the cost to the public employer associated with the agreement. A public employer without a website must publish the required notice at least two weeks prior to the proposed signing of the collective bargaining agreement. Additionally, the proposed collective bargaining agreement and any documents presented by the public employer or received from the employee organization in the course of collective bargaining are to be public records subject to the Right-to-Know Law. Any collective bargaining agreement executed without providing the required notice would be void and unenforceable.

Wednesday, June 24

* The **Senate Urban Affairs and Housing Committee** will consider [Senate Bill 877](#) (Sen. Argall, R-Schuylkill), which prohibits a taxing body from appealing the assessment of a property based on the sale of that property. The bill also defines criteria that may serve as the basis for an appeal and allows for a taxed person to appeal a reassessed value in certain circumstances; and [House Bill 613](#) (Sen. Ward, R-Blair), which authorizes local taxing authorities to provide for tax abatement incentives for certain deteriorated property and for new construction in deteriorated areas of economically depressed communities.