



**Feb. 6, 2015**

[More Info](#)

PSBA Legislative Report

*The Senate and House of Representatives were in session this week. The House will be in session next week, and the Senate will return to Harrisburg on Tuesday, February 17.*

### **Top Stories**

- \* **PSBA Applauds Approval of PlanCon Reform Bill; Progress in District Reimbursements Reported**
- \* **House Action**
- \* **Senate Finance Committee Discusses Tax Exemption Bill**

### **Latest News**

- \* **Revenue Gains May Lessen a Still Large State Shortfall**
- \* **State Budget Update**
- \* **On the Hill: Upcoming Meetings**

### **PSBA Advocacy News**

- \* **PSBA Works to Provide Clarity to New Law on Background Checks**
- \* **Members Sought for PSBA Platform Committee**
- \* **Check Out PSBA's Parent Advocacy Network Facebook Page**

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### **Top Stories**

#### **PSBA Applauds Approval of PlanCon Reform Bill; Progress in District Reimbursements Reported**

PSBA applauds Rep. Seth Grove (R-York) for his work that has allowed some school districts to receive long-awaited state reimbursement for construction projects, but notes that more is needed to reform the process and address the backlog of projects awaiting reimbursement.

Efforts to make such changes have been re-ignited in the House of Representatives this week as the House Education Committee approved [House Bill 210](#) (Rep. Grove, R-York), which is the re-introduction of PlanCon reform legislation from the previous session under House Bill 2124. The bill would create a simplified new process known as the Accountability and Reducing Costs in Construction Process, or ARCCon. PSBA supports House Bill 210 and is working hard to push for its final passage.

Rep. Stan Saylor (R-York), House Majority Chairman and chairman of the House Education Committee, and Rep. Grove, the bill's sponsor, reported that since early 2014, projects in 63 school districts have been approved for reimbursement, and about 300 projects at various stages of approval still waiting for funds. More than \$44 million in payments is being distributed for the newly approved projects, and it has been estimated that up to \$53 million in additional funding may become available. [Click here to read more.](#)

### **House action**

**Military Recruiters** – The House passed [House Bill 127](#) (Rep. Tallman, R-Adams) would align state law regarding military recruiter access to students with provisions under the federal No Child Left Behind Act (NCLB) by requiring such access to “secondary students” which has been defined to include high school juniors as well as seniors. Earlier this week, House Bill 127 was amended on the House floor to delete language declaring the legislative intent of the bill; it was then re-referred to the Appropriations Committee. PSBA supports House Bill 127.

**Financial Reporting** -- The House Education Committee approved [House Bill 224](#) (Rep. Christiana, R-Beaver), which is the re-introduction of the SchoolWATCH legislation from the previous session and would make permanent the school financial reporting feature unveiled this month by the Department of Education on the School Performance Profiles (SPP) website. The site provides extensive fiscal data of public schools, including traditional school districts, charter and cyber charter schools, and comprehensive career and technology centers. The report includes information on schools' total expenditures and revenues, including per-pupil expenditures and expenditures for various budget categories. PSBA supports this bill.

### **Senate Finance Committee Discusses Tax Exemption Bill**

This week the Senate Finance Committee conducted a public hearing on legislation that would allow the General Assembly to determine which properties qualify for tax exempt status. [Senate Bill 4](#) (Sen. Aument, R-Lancaster) is a joint resolution to amend the Pennsylvania Constitution to specify that the General Assembly, not the judiciary, has the exclusive right to set the parameters for an organization to qualify as a purely public charity and exempt from paying local property taxes. The bill would impact a 2012 Pennsylvania Supreme Court decision stating that the General Assembly does not have the sole authority to create standards to define purely public charities. That decision effectively negated provisions under Act 55 of 1997 that created standards for determining tax exempt status. At this week's hearing, Auditor General Eugene DePasquale urged careful consideration of the impact of the bill, noting that In December 2014 his office released a [special report](#) on the potential impacts that properties with tax exempt status have on the counties, municipalities, and school districts. The report found that more than \$1.5 billion in property tax revenue is potentially lost in the 10-county sample that was examined.

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## **Latest News**

### **Revenue Gains May Lessen a Still Large State Shortfall**

With a difficult budget season expected, increased state revenues recently reported may serve to lessen a shortfall that is now estimated at about \$1.8 billion. This week the Pennsylvania Department of Revenue reported that it collected \$2.4 billion in General Fund revenue in January, which was \$89.7 million, or 3.9%, more than anticipated. Fiscal year-to-date General Fund collections total \$15.7 billion, which is \$360.4 million, or 2.3%, above estimate. The figures show that sales tax receipts totaled \$844.5 million for January, \$6.9 million above estimate. Year-to-date sales tax collections total \$5.6 billion, which is \$66.6 million, or 1.2%, more than anticipated. While personal income tax (PIT) revenue in January was \$1.1 billion, \$14.1 million below estimate, the year-to-date PIT collections are \$6.3 billion, which is \$400,000 above estimate. For additional information, [click here](#). Last week the Independent Fiscal Office (IFO) released a revised, higher, mid-year state revenue estimate for fiscal year 2014-15. The revised estimate is about \$250

million higher than the estimate published by the IFO at the beginning of the fiscal year and \$26 million higher than the official estimate recertified by the governor in September. For more information, go to [www.ifo.state.pa.us](http://www.ifo.state.pa.us).

### **State Budget Update**

On Tuesday, March 3, Gov. Wolf will be presenting his first state budget proposal before a joint meeting of the Senate and House of Representatives. **PSBA will be providing members with complete coverage of the governor's 2015-16 spending plan, including reports that day and a webcast briefing on March 4 by Acting Education Secretary Pedro Rivera.** Following the governor's budget address, the Senate and House Appropriations Committees will convene hearings on specific components of the proposal. The Department of Education will meet with the House Appropriations Committee on Monday, March 16, and with the Senate Appropriations Committee on Monday, March 30. The Senate and House Appropriations Committees will conduct separate hearings on March 23 with the Public School Employees Retirement System to discuss the governor's budget proposal.

### **On the Hill: Upcoming meetings**

*Upcoming events currently scheduled include:*

#### **Tuesday, February 10**

\* The **House Finance Committee** will consider [House Bill 147](#) (Rep. Maloney, R-Berks), which proposes to amend the state Constitution by modifying the Uniformity Clause and allowing local taxing authorities to exclude up to 100% of the assessed value of homestead property from taxation. This bill was reported out the House Insurance Committee this week with a request to have it re-referred to the Finance Committee.

#### **Wednesday, February 11**

\* The **House Children and Youth Committee** will hold an informational meeting to review recent changes to the Child Protective Services Law with regard to background clearances.

#### **Thursday, February 12**

\* The **House Education Committee** will conduct a public hearing on these two bills: [House Bill 168](#) (Rep. Tobash, R-Schuylkill), which would remove the use of the Keystone Exams as a high school graduation requirement; and [House Bill 177](#) (Rep. Grove, R-York), which would establish an Academic Standards Commission to study and offer recommendations to the General Assembly, Department of Education and State Board of Education concerning the PA Core Standards.

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### **PSBA Advocacy News**

#### **PSBA Works to Provide Clarity to New Law on Background Checks**

PSBA is working with the PA Department of Education, Department of Human Services and other stakeholders to provide clarity regarding the implementation of changes in law regarding school employment background checks and history review requirements. Most recently, PSBA attended a meeting convened by the PA School Bus Association at PDE with other stakeholders to discuss how these laws apply to school employees and independent contractors. Click here for [Fact Sheets and other PSBA resources](#). Click here for [PDE's Act 168 Frequently Asked Questions](#) and a [new Basic Education Circular](#).

#### **Members Sought for PSBA Platform Committee**

Are you interested in serving on the PSBA Platform Committee? PSBA Regional Directors are now selecting two school directors from their areas to serve. The Platform Committee will meet on Saturday, Aug. 8, 2015 at PSBA offices in Mechanicsburg to draft a proposed platform for 2016 that will receive final

consideration by the Delegate Assembly on Tuesday, Oct. 13 in conjunction with the School Leadership Conference in Hershey. **Anyone interested in being considered for an appointment must contact their PSBA regional director; [click here](#) for contact information.**

#### **Check Out PSBA's Parent Advocacy Network Facebook Page**

As a part of PSBA's expanding advocacy efforts, the Parent Advocacy Network includes a [Facebook page](#) that contains state and national news stories of interest to parents who support public education. Parents who join the network will receive occasional updates and alerts from PSBA on certain legislation being proposed in Harrisburg that could affect local schools.