



August 27, 2015

### Welcome to the New PSBA Legislative Report



*PSBA is excited to welcome you to the premier edition of our new Legislative Report. The report will continue to contain the same news on the issues and advocacy updates, now presented in a format that will allow you to quickly see the top stories and latest news. More detail on each item is available with a click. We hope you find the new Legislative Report an improvement, and we welcome your comments.*

### Come to the Capitol Sept. 21 for Education Action Day



Join PSBA, school directors and administrators from across the state at Capitol on **Monday, Sept. 21 for Education Action Day.** The Senate and House of Representatives will be back in session, and this is our opportunity to push for a state budget and pension reform. The event begins in the Main Capitol-East Wing under the escalators at 10 a.m. with briefings on the issues and key messages. A news conference will be held from 11 a.m. - noon, and visits with legislators will be scheduled from 1-3 p.m. PSBA will supply chartered buses from various parts of the state. There is no charge for participation, and box lunches will be provided. For planning purposes, members are asked to register. The registration form will ask registrants to select a location for bus transportation or indicate if they do not need transportation. [Click here to register.](#)

## STATE BUDGET

### Budget Impasse Continues as Override Attempt Fails

This week an attempt by House Republican leadership to override portions of the budget contained in [House Bill 1192](#) and vetoed by Gov. Wolf failed, as the budget impasse continues and legislators returned home until Sept. 21 unless an agreement can be reached. PSBA expressed its support for the effort that would have provided needed funding in a few key areas to school districts. [Read more...](#)

## Latest News

### More Budget News

- [No Progress on Pension Reform](#)
- [State May Eliminate PlanCon, Reimbursement for School Construction](#)
- [PSBA Disappointed with Chester Upland Decision on Charter School Funding](#)
- [PSBA Guidance on Legality of Delaying Employer Contributions to PSERS and Non-Local Portion of Charter Tuition](#)

### More Budget News

#### No Progress on Pension Reform

Pension reform continues to be a contentious issue closely tied to the budget as the governor and General Assembly remain at odds finding agreement on a plan. With a combined debt to the state and school employees' retirement systems of over \$50 million and growing, reform is imperative. PSBA has emphasized that any reform plan needs to generate both short-term and long-term savings for districts. [Read more...](#)

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#### State May Eliminate PlanCon, Reimbursement for School Construction

As budget issues remain unresolved, the administration has suggested its support for the elimination of the state's program for approved school construction and

renovation projects under the PlanCon program. PSBA and number of other organizations recently sent a joint letter to Gov. Wolf, strongly urging the state to continue to play a role in providing reimbursement for school construction, while acknowledging that the PlanCon approval process needs to be restructured. The groups also voiced support for the plan approved by the General Assembly that would finally pay the \$5.3 billion owed to districts. [Read more...](#)

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### **PSBA Disappointed with Chester Upland Decision on Charter School Funding**

This week Common Pleas Court Judge Chad F. Kenney rejected the financial recovery plan proposed by the state for the Chester-Upland School District that would implement needed corrections to the overpayments being made to charter schools for special education services. These changes would have paved the way for the school district to end its \$22 million deficit and appropriately align the payments being made with district pays to charters for the services actually rendered to students. The plan also would have placed a cap on overpayments to cyber charter schools.

Gov. Wolf responded by saying that the decision "will unfortunately allow a decades-old problem to persist, and the district's massive budget deficit will only worsen. It is clear serious financial reforms are still needed and my administration will evaluate its options moving forward."

PSBA issued a statement, expressing disappointment with the decision and emphasizing that all school districts are impacted by charter and cyber charter schools expenses. The association renewed its call for statewide reforms to the Charter School Law to be enacted. [Read PSBA's statement.](#)

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### **PSBA Guidance on Legality of Delaying Employer Contributions to PSERS and Non-Local Portion of Charter Tuition**

PSBA General Counsel has provided legal analysis explaining why it is lawful for school entities to take two particular stop-gap measures for addressing the cash flow pinch caused by the commonwealth's ongoing budget impasse: 1) Delaying payment of employer contributions to PSERS; and 2) Delaying payment of the portion of charter school tuition otherwise owed that represents the proportion of total budgeted revenue received from the Commonwealth. [Read more...](#)

