

Legislative Report – Mr. Mahler (*written report*) April 2015

Legislative News...

Legislative Schedule – Both the House and Senate are in session this week with a full floor and committee schedule, and then will break until May 4.

In Last Week's Legislative Action –

School Director Elections: HB 342 – unanimously approved in the House. The bill amends the Pennsylvania Election Code to clarify that all candidates for the office of school director will be required to submit 10 signatures for nomination. Initially, the bill would have required 25 signatures.

Transition to Work: HB 400 – unanimously approved in the House. The bill establishes the “Work Experience for High School Students with Disabilities” Act, which would designate the Office of Vocational Rehabilitation (OVR) in the Department of Labor & Industry as the lead agency responsible for developing connections between local education agencies and employers to promote the successful transition from school to competitive, gainful employment. OVR would arrange for, monitor and support the placement of high school students with disabilities in internships, on-the-job training and full- or part-time work in integrated settings with private and public sector employers.

Epi-Pen Administration: HB 423 – unanimously approved in the House. The bill provides immunity to school bus drivers who administer epinephrine to students suffering allergic reactions in compliance with school district policy and training.

Benefit Requirements: SB 333 – approved in the Senate. The bill prohibits the ability of a municipality to mandate that all employers within its borders provide certain types of vacation or other forms of leave not required by Federal or state law. The bill exempts any mandates imposed by a municipality on its own employees.

Other Recent Hearings and Meetings –

Property Tax Relief: HB 860 – The House Finance Committee held a hearing on the bill but took no action. HB 860 implements a property tax relief plan for school district taxpayers by increasing the statewide PIT to 3.7% for the purpose of providing millage rate reductions and increasing the sales tax (without expansion of the base) to 7% for the purpose of increasing homestead/farmstead exemption allocations. **Click here** to watch a recording of this hearing.

Pension Reform: The Senate Finance Committee held a hearing to discuss pension plan design proposals. The committee heard testimony from the following organizations: Commonwealth Foundation, SEIU, PEW Charitable Trusts, PSEA, FTI Consulting, Mercatus Center at George Mason University and TIAA-CREF. **Click here** to watch a recording of the hearing.

State Budget: Leadership in the House and Senate had their first meeting with the Wolf administration on the budget. More to come as negotiations begin to take shape and working groups are formed to begin discussing the many large components of the budget proposal, such as pensions, education, property tax reform and liquor privatization.

Charter School Report: The Joint Legislative Budget & Finance Committee released a **report** on the feasibility of alternative methods of authorizing charter schools. Generally, the report reviewed PA charter school law as well as the laws in other states in regarding charter school authorizers. The report, which found that few colleges and universities across the state have shown much interest in the idea, recommended that the General Assembly consider allowing institutions of higher education to become authorizers on a pilot basis, consider the creation of an Independent Charter Board, and, if alternative authorizers are permitted, require them to adhere to all nationally recognized standards in authorizing charter schools.

HB 342: amended and approved by House State Government Committee. As amended, the bill makes changes to the Pennsylvania Election Code to clarify that all candidates for the office of school director will be required to submit 10 signatures for nomination. Initially, the bill would have required 25 signatures.

This Week's Floor Calendar – The following bills have been discussed this week:

Governmental Practices: HB 11 (establishes the “Lean Government Practices Program.” Initially, the bill would have required all financially struggling political subdivisions, including school districts, to engage in training provided by the State Office of Innovation regarding the use of lean government practices. However, that language was removed.)

Tax Collectors: HB 160 (clarifies that a tax collector may not deposit taxes into an account with his or her individual name. Rather, the account must include the name of the office, title or position and may include the municipality by which the tax collector was elected or appointed. The deputy tax collector must be a signatory on the account.)

This Week's Committee Schedule –

On Tuesday, the House Finance Committee discussed the following bills:

Property Tax Relief: HB 860 (implements a property tax relief plan for school district taxpayers by increasing the statewide PIT to 3.7% for the purpose of providing millage rate reductions and

increasing the sales tax without expansion of the base to 7% for the purpose of increasing homestead/farmstead exemption allocations)

EITC Expansion: HB 752 (increases the tax credits available to businesses under the EITC program by \$70 million (\$7 million increase in credits available for contributions to the pre-kindergarten scholarship organizations, \$42 million increase in credits available for contributions to scholarship programs and \$21 million increase in credits available for contributions to educational improvement organizations. The bill also increases the tax credits available for contributions to opportunity scholarship organizations by \$30 million.)

On Tuesday, Senate Education Committee were to consider the nomination of **Pedro Rivera** as Secretary of Education and sent the following bills to the Senate for first consideration on April 21:

Dual Enrollment Programs: SB 104 (creates a Dual Enrollment Expansion Task Force to examine the issue and make recommendations about how to expand dual enrollment and Advanced Placement programs to allow students to earn college credit in high school)

Post-High Scholarships: SB 329 (establishes a Ready to Succeed Scholarship program within PHEAA)

Today, the House Education Committee tabled both of the following bills:

Graduation Credits: HB 833 (amends the Public School Code to allow computer science or information technology courses taken during grades 9-12 to count a one credit towards a science or math graduation requirement)

Leave of Absence: HB 982 (allows a school employee to attend a grandchild's funeral without a deduction in salary)

Today, the Senate State Government Committee considered the following bills:

Bargaining and Executive Sessions: SB 643 (clarifies that negotiations sessions during collective bargaining do not qualify for executive sessions) - ***Sent to Senate for first consideration***

Bargaining Disclosure: SB 645 (requires employers to provide notice of the terms and estimated cost prior to signing collective bargaining agreements. Notice must be posted on the employer's website 2 weeks prior to the signing and remain posted for 30 days after the signing.) - ***Re-referred to the Appropriations Committee***

Upcoming Committee Meetings –

April 27: Basic Education Funding Committee – to hold a final hearing (University of Pittsburgh)

April 28: House Democratic Policy Committee – to hold a hearing on education and property tax reduction (Johnstown) and **House Select Subcommittee on Technical Education and Career Readiness** – to hold its first public hearing (subcommittee organized pursuant to **House Resolutions 102**)

Other State News

Lawmakers address education issues: Kevin Mahler, Maureen Groscheider, and about 150 others attended the PSBA/AIU legislative meeting that was held last week. Five state leaders -- four Democrats and a Republican -- expressed general optimism that their parties will work together in the House and Senate to adopt a budget that addresses Pennsylvania's educational and other needs – though not necessarily by June 30. The officials, speaking at the Allegheny County Legislative Forum on Public Education on Thursday, didn't all agree on the paths their respective parties or branches of government would take, however.

Suit challenging school funding headed to top Pa. court: A lawsuit contending that Pennsylvania's system of school funding is broken will move to the state's top court, attorneys vowed Tuesday after a lower court dismissed the case brought by school districts, parents, and advocates. Lawyers said they would appeal to the state Supreme Court after the Commonwealth Court ruled that education funding was a legislative issue and not a legal matter. *Philadelphia Inquirer*, April 22, 2015

Senate panel gives nod to Rivera's confirmation as education secretary: Following a healthy discussion that touched on a myriad of educational issues, the Senate Education Committee voted on Tuesday to recommend Pedro Rivera's nomination as Gov. Tom Wolf's education secretary for confirmation by the full Senate. *Harrisburg Patriot-News*, April 21, 2015

A plan to make schools perform or be run by Pennsylvania: Pennsylvania's lowest-performing schools could be given an ultimatum - reform quickly, or face relegation to a new, state-run district - under legislation to be introduced soon. The bill, crafted by State Sen. Lloyd Smucker (R., Lancaster), could remake the Philadelphia School District, where most of the struggling schools now reside. Supporters say it has a shot at passage in this legislative session, particularly as a way to partner the increased education funding Gov. Wolf seeks with accountability measures palatable to Republicans. *Philadelphia Inquirer*, April 22, 2015

Certification for 2015: Budget Secretary Randy Albright last week certified that more than \$783 million in gaming revenue will be available for property tax relief in 2015. The average statewide property tax reduction for each household is expected to be about \$200 this year. The amount of property tax relief in each school district will be available online in early May at the School District Property Tax Relief section of the Department of Education website.

Tax Reform Proposals: House Republican lawmakers unveiled a property tax relief plan that they see as a better alternative to one Gov. Tom Wolf proposes. Like the governor's plan, it calls for increasing the state's income and sales tax rates to shift the school funding burden off homeowners. But there are many differences between the two proposals. *Read the rest of the story: "Key Differences Exist Between House GOP, Wolf Property Tax Plans"* (from *The Patriot-News*, 4/14/15). See also an article in *The Pittsburgh Post-Gazette*, 4/15/15.

State Senate majority leader has pension-reform plan in works: Pennsylvania Senate Majority Leader Jake Corman (R-Dist. 34) expects to introduce a plan in the coming weeks to reform the structure of the state's beleaguered pension system for current and future employees. *Pennsylvania Business Daily*, April 20, 2015

Full story *Pre-K Counts, Head Start Competitive Grants* – The Wolf Administration, through the PA Department of Education (PDE), is accepting applications for Pennsylvania Pre-K Counts and Head Start Supplemental Assistance Program grants. PDE is issuing two Requests for Proposals to support providers' ability to serve children and be ready for enrollment by September 2015.

New Chief for PSERS – The Public School Employees' Retirement System (PSERS) Board of Trustees last week offered the position of Executive Director to State Representative Glen R. Grell of Cumberland County effective May 1, 2015, contingent upon successful completion of all necessary approvals and background and reference checks.

Child Abuse Clearances – Nearly 152,000 requests for child abuse clearances poured into the ChildLine office of the state Department of Human Services in the first two months after a new background check law took effect on Dec. 31. Out of those applications that have been processed, 185 – less than 1 percent – were submitted by individuals with some history of child abuse. Given that small percentage, is this law that requires anyone who has routine interaction with children in a work or volunteer capacity to obtain criminal background checks and a child abuse clearance overkill? *Read the rest of the story: "Work Being Done on Child Abuse Background Checks Law to Provide Clarity"* (from *The Patriot-News*, 4/15/15).

State Revenues – Pennsylvania collected \$4.3 billion in General Fund revenue in March, which was \$9.5 million, or 0.2 percent, less than anticipated. Sales tax receipts and realty tax revenue came in below estimate, while PIT and corporation tax came in above estimate. Fiscal year-to-date General Fund collections total \$21.7 billion, which is \$368.1 million, or 1.7 percent, above estimate.

Community Meeting on Education Funding – A panel of experts, weighed in on April 1 in support of a push to have state lawmakers adopt a reworked formula for funding basic education that is adequate, sustainable and equitable across all school districts in Pennsylvania. The event was supported by the Campaign for Fair Education Funding, a nonpartisan effort made up of more than 40 advocacy groups. *Read the rest of the story: "In Camp Hill, Panels*

Offers Views, Answers Questions on State of School Funding” (from *The Carlisle Sentinel*, 4/2/15). Another report on the meeting was published on *pennlive.com*.

National News...

ESEA Reauthorization Update – In a calculated and largely fireworks-free markup of a bipartisan Elementary and Secondary Education Act rewrite, members of the U.S. Senate Committee on Health, Education, Labor & Pensions (HELP) approved the measure 22-0 Thursday amid much back-slapping and promises to continue working across the aisle. Over the course of three days, committee members considered more than 50 amendments out of the 87 that were filed, most of which were either adopted via voice vote with little controversy or withdrawn out of respect for maintaining the bipartisan nature of the legislation. *Read the rest of the story: “Senate Education Committee Unanimously Passes Bipartisan ESEA Rewrite”* (from *Education Week*, 4/16/15).