

Legislative Report  
June 26, 2013  
Submitted by Linda Bishop

With four days left to meet the June 30 budget deadline, the Senate Appropriations Committee reported out HB 1437 along a party-line vote with Democrats voting in the negative. As passed by the House last week, HB 1437 proposes \$28.3 billion in state spending, which is \$100 million less than what Gov. Tom Corbett proposed in February. However, it includes \$100 million for the basic subsidy, a boost of \$10 million from what the governor proposed.

The Senate Finance Committee approved SB 922, which was introduced as the governor's sweeping pension reform plan but was gutted and amended by the committee to contain only provisions for a defined-contribution 401(k) style plan for new state and school employees. Nothing looks likely to happen on pension reform in the House before the recess.

The PA House passed House Resolution 338, which urges the Secretary of the Education and the State Board of Education to ensure that Pennsylvania's academic standards are thoroughly rigorous, and to ensure that concerns relating to the adoption of the Common Core state standards are addressed by amending state regulations as necessary.

On cyber/charter school funding reform, the House Education Committee amended and sent to the floor **HB 618**, which eliminates the pension double dip for cyber charters only. The committee inserted a comprehensive amendment that includes a two-year elimination of the pension double dip and an allowance for deduction of food service costs for cyber charters. In addition, the amendment calls for direct pay of charter school tuition from the Department of Education with a requirement for charters to provide documentation of student enrollment to the department and school districts before payments will be made, and create a process for school districts to raise concerns regarding an inaccurate deduction by PDE. HB 618 also contains various provisions regarding the funding, governance and oversight of charter schools. The bill was quickly moved to the House floor where numerous amendments were filed. The debate began with an amendment that would cut the elimination of the double dip in half, allowing school districts to deduct only 50% of their employee retirement costs from the cyber charter school calculation. When objections were raised because the amendment reduced the potential savings for school districts, the House was adjourned without any further consideration of the amendment, and the bill was tabled. There seems to be some potential movement on the bill in the House this week. It remains to be seen if it will be brought to a floor vote.

The Philadelphia School District is facing a doomsday scenario due to a projected budget shortfall of more than \$300 million for 2013-14. Amid angry shouts of "disgrace!", the School Reform Commission approved a \$2.4 billion budget that includes cuts that Superintendent William R. Hite Jr. has said would be catastrophic. It has been reported that the schools would open in the fall without counselors, librarians, assistant principals, or secretaries. There would be no new books, no paper, no clubs. Athletics, art and music would be gone. There could be 3000 layoffs. Class sizes would be larger, and schools would have no paraprofessionals to help manage them or support staff to monitor lunchrooms and playgrounds. Superintendent Hite has asked for \$60 million in extra funding from the city and \$120 million from the state. The district also is seeking more than \$100 million in givebacks from the Philadelphia Federation of Teachers. "This is not the budget anyone wants," Hite said. "I'm doing everything in my power to prevent this budget from becoming a reality." Hite said the budget he put before the SRC in no way reflected his idea of public education and the programs and services students need. He said the SRC would amend the budget if additional funds are provided.