

Legislative Report – Mrs. Bishop September 2013

The PA Legislature returned to Harrisburg this week for the fall session. Mike Turzai, Majority Leader of the House said his caucus's top priorities this session are pension reform, property tax reform, and changes to cyber charter schools in light of the recent indictment of Nick Trombetta, founder of the PA Cyber Charter School. Changing the funding formula for PA's 15 cyber charter schools is reportedly of increased interest to legislators in both chambers in light of Mr. Trombetta's alleged misuse of taxpayer funds for personal gain. "I think the cyber charter school issue has to be addressed because the formula is not working, and I think that they have been able to take public taxpayer dollars and expend them where they should not be expended," Mr. Turzai said. Charter school reform is back on the table this week as the House debated HB 618, charter funding reform legislation that was reported out of the House Education Committee in June. The bill is on the House floor, where a final vote is expected imminently. PSBA supports this bill because it eliminates the so-called pension double dip and includes some enhanced accountability measures for charter/cyber schools. Relatedly, the Special Education Funding Commission is conducting hearings to consider the issue of special education funding for charter and cyber charter schools

A transportation funding package could get a vote in the House as early as next week. Though many House Republicans oppose the new taxes and fees that such legislation may require, the Governor would like to see a vote, either on the \$2.5 billion package passed by the Senate in the spring, or at least on a scaled-back House version, which could be as low as \$500 million so as to avoid lifting the increased gas tax that would be required to fund the Senate bill. Movement in the House on transportation funding could encourage Republican senators to support liquor store privatization, which is a top priority of House Republicans. In the spring, the Senate's transportation bill failed to gain support in the House, and the liquor store privatization legislation that was passed by the House failed to gain support in the Senate.

The House Labor and Industry Committee is conducting hearings to discuss updates to PA's Prevailing Wage Act, which requires school districts to pay "prevailing wages" to those working on public construction projects. It is estimated that the prevailing wage rates increase the total cost of construction projects by 10 percent to 17 percent on average. The act has not been updated since 1963.

The House Finance Committee approved a bill sponsored by Rep. Seth Grove to provide a menu of local taxes for school districts to levy to reduce or eliminate property taxes, including earned income tax, mercantile tax, and business privilege tax. Mike Turzai reportedly believes this bill has merit. There is another property tax reform bill in the Senate that is generating support among legislators and the general public, as evidenced by a large rally in Harrisburg this week. This bill would eliminate property taxes altogether statewide, replacing them with increases in both the state sales tax and personal income tax.

Seven bills that strengthen PA's child abuse laws were passed unanimously by the PA Senate Aging and Youth Committee on Tuesday. The bills were prompted by recommendations from the Task Force on Child Protection, which convened in the wake of the Sandusky scandal. The bills update the definition of child abuse, clarify who is a mandatory reporter of such abuse, and increase penalties for failing to report abuse. Similar legislation has already been passed by the House, though differences in the bills will need to be worked out. The Senate bills will go next to the Appropriations Committee, then to the full Senate for a vote, probably next week.

The State Legislature is being asked to intervene in a standoff in Philadelphia related to addressing the funding needed by the Philadelphia Schools. Mayor Michael Nutter wants City Council to pass a bill to implement legislation enacted by state lawmakers last spring, making an increase in Philadelphia's sales tax permanent and putting most of the money into the schools. City Council, however, is balking at Nutter's request. The Council President says it was a bad deal from the state, and he wants to press the Legislature for the cigarette tax it turned down before, and a new bill providing for a 50-50 split in sales tax revenue between the schools and the city's ailing pension fund. The question is: will the Legislature be willing to revisit the Philadelphia tax issues at all? "I don't see it happening this fall," said Steve Miskin, spokesman for the Republican House leadership.

Philadelphia schools opened September 9, with drastically reduced services (including no libraries in some schools) and drastically reduced personnel numbers, as hundreds of assistant principals, counselors, lunch and recess aides have been furloughed. All 283 school counselors were laid off in June. Sixteen House debated HB 618, charter funding reform legislation that was reported out of the House Education Committee in June. The bill is on the House floor, where a final vote is expected imminently. PSBA supports this bill because it eliminates the so-called pension double dip and includes some enhanced accountability measures for charter/cyber schools. Relatedly, the Special Education Funding Commission is conducting hearings to consider the issue of special education funding for charter and cyber charter schools

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Philadelphia schools opened September 9, with drastically reduced services (including no libraries in some schools) and drastically reduced personnel numbers, as hundreds of assistant principals, counselors, lunch and recess aides have been furloughed. All 283 school counselors were laid off in June. Sixteen general and Philadelphia in particular, were singled out by Ravitch as "Ground Zero" for the destruction and privatization of public education. Mrs. Grosheider and a number of NA teachers and community members attended the event. Next month's report will include information from the PSBA School Leadership Conference in Hershey October 15-18.