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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 842      Session of  
2007

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Report of the Committee of Conference

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To the Members of the House of Representatives and Senate:

We, the undersigned, Committee of Conference on the part of the House of Representatives and Senate for the purpose of considering House Bill No. 842, entitled:  
"An act amending the act of March 10, 1949 (P.L.30, No.14), entitled 'An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto,' further providing for TRANSFERRED PROGRAMS AND CLASSES AND FOR program of continuing professional ~~development~~ EDUCATION AND FOR EDUCATIONAL ASSISTANCE PROGRAM; PROVIDING FOR DISTRESSED SCHOOL DISTRICTS AND STUDENT ATTENDANCE IN OTHER DISTRICTS; IN CHARTER SCHOOL PROVISIONS, FURTHER PROVIDING FOR ENROLLMENT; \* \* \* AND FURTHER PROVIDING FOR PAYMENTS ON ACCOUNT OF LIMITED ENGLISH PROFICIENCY PROGRAMS, FOR PAYMENTS TO INTERMEDIATE UNITS, FOR SPECIAL EDUCATION PAYMENTS TO SCHOOL DISTRICTS AND FOR PENNSYLVANIA ACCOUNTABILITY GRANTS,"

respectfully submit the following bill as our report:

Dwight Evans

James R. Roebuck, Jr.

Jess M. Stairs

(Committee on the part of the House of Representatives.)

Dominic Pilleggi

Gibson E. Armstrong

Raphael J. Musto

(Committee on the part of the Senate.)

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AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An  
2 act relating to the public school system, including certain  
3 provisions applicable as well to private and parochial  
4 schools; amending, revising, consolidating and changing the  
5 laws relating thereto," further providing for background  
6 checks of prospective employees and conviction of employees  
7 for certain offenses, in school finances, for annual budget,  
8 in district and assistant superintendents, for eligibility,  
9 in professional employees, for qualifications and for  
10 transferred programs and classes, in certification of  
11 teachers, for program of continuing professional education;  
12 providing for continuing professional education for school or  
13 system leaders and for Pennsylvania school leadership  
14 standards; in pupils and attendance, further providing for  
15 school lunch and breakfast reimbursement; further providing  
16 for duties of Department of Education relating to school  
17 health services and for educational assistance program; in  
18 early learning programs, further providing for Head Start  
19 Supplemental Assistance Program; establishing the  
20 Pennsylvania Pre-K Counts Program; providing for distressed  
21 school districts and student attendance in other districts;  
22 in opportunities for educational excellence, for  
23 responsibilities of department and State Board of Education;  
24 in education empowerment provisions, providing for  
25 superintendent power to recommend dismissal; further  
26 providing for education empowerment districts and for boards  
27 of control for certain school districts; in community  
28 education councils, further providing for State funding;  
29 establishing the Pennsylvania Technical College Program; in  
30 educational improvement tax credit provisions, further  
31 providing for limitations; providing for funding for public  
32 libraries; in reimbursement by Commonwealth and between  
33 school districts, further providing for small district  
34 assistance; providing for basic education funding for 2006-  
35 2007 school year; further providing for payments on account  
36 of limited English proficiency programs, for payments to  
37 intermediate units, and for special education payments to  
38 school districts; providing for budget stabilization plan  
39 progress report; and further providing for payments on  
40 account of pupil transportation, for Commonwealth  
41 reimbursements for charter schools and cyber charter schools  
42 and for Pennsylvania accountability grants.

43 The General Assembly of the Commonwealth of Pennsylvania  
44 hereby enacts as follows:

45 Section 1. Section 111(c.1) of the act of March 10, 1949  
46 (P.L.30, No.14), known as the Public School Code of 1949, added  
47 July 11, 2006 (P.L.1092, No.114), is amended to read:

48 Section 111. Background Checks of Prospective Employes;  
49 Conviction of Employes of Certain Offenses.--\* \* \*

1 (c.1) Beginning April 1, 2007, administrators shall require  
2 the applicant to submit with the application for employment a  
3 copy of the Federal criminal history record in a manner  
4 prescribed by the Department of Education. At a minimum, the  
5 Department of Education shall prescribe a method for applicants  
6 to submit a set of fingerprints to be transmitted to the Federal  
7 Bureau of Investigation for Federal criminal history record  
8 information pursuant to the Federal Bureau of Investigation  
9 appropriation of Title II of Public Law 92-544, 86 Stat. 1115.  
10 When the applicant provides a copy of the Federal criminal  
11 history record, it shall be no more than one (1) year old.  
12 Administrators shall maintain a copy of the required information  
13 and shall require each applicant to produce a Federal criminal  
14 history record that may not be more than one (1) year old at the  
15 time of employment. The original Federal criminal history record  
16 shall be returned to the applicant.

17 \* \* \*

18 Section 2. Section 687(j) of the act, amended July 11, 2006  
19 (P.L.1092, No.114), is amended to read:

20 Section 687. Annual Budget; Additional or Increased  
21 Appropriations; Transfer of Funds.--\* \* \*

22 (j) Notwithstanding any other provisions of this act, the  
23 board of school directors of each school district may reopen its  
24 2003-2004 budget, its 2004-2005 budget, its 2005-2006 budget  
25 [or], its 2006-2007 budget or its 2007-2008 budget to reflect  
26 any State allocations for fiscal year 2003-2004, fiscal year  
27 2004-2005, fiscal year 2005-2006 [or], fiscal year 2006-2007 or  
28 fiscal year 2007-2008 provided by the General Assembly through  
29 this act.

30 Section 3. Section 1003 of the act, amended December 19,

1 1975 (P.L.511, No.150), is amended to read:

2 Section 1003. Eligibility.--No person shall be eligible for  
3 election or appointment as a district, or assistant district  
4 superintendent, unless--

5 (1) He holds a diploma from a college or other institution  
6 approved by the Department of Education;

7 (2) He has had six (6) years' successful teaching  
8 experience, not less than three of which shall have been in a  
9 supervisory or administrative capacity;

10 (3) He has completed in a college or university a graduate  
11 [course] program in education approved by the Department of  
12 Education[;] that includes the Pennsylvania school leadership  
13 standards under section 1217. Completion of the program shall  
14 not be subject to waiver under section 1714-B unless the  
15 candidate provides to the Secretary of Education evidence that  
16 the candidate has successfully completed an equivalent  
17 leadership development program that addresses the school  
18 leadership standards under section 1217.

19 (4) Provided that in school districts of the first class,  
20 five (5) years of administrative experience at the level of  
21 assistant, associate or deputy superintendent, may be  
22 substituted for prescribed graduate administrative courses, and  
23 which shall be the responsibility of the Secretary of Education  
24 to review these equivalences to conform with State board  
25 regulations.

26 Serving either as county, district, or assistant county or  
27 district superintendent, or associate superintendent, in this  
28 Commonwealth, at the time this act becomes effective, shall,  
29 irrespective of the foregoing requirements, be considered  
30 sufficient qualification for any of the aforesaid offices.

1 Section 4. Section 1109 of the act, amended March 19, 1970  
2 (P.L.189, No.73), is amended to read:

3 Section 1109. Qualifications.--(a) Every teacher employed  
4 to teach in the public schools of this Commonwealth must be a  
5 person of good moral character, must be at least eighteen years  
6 of age, and must be a citizen of the United States: Provided,  
7 That citizenship may be waived in the case of exchange teachers  
8 not permanently employed, and teachers employed for the purpose  
9 of teaching foreign languages, including special teachers who  
10 speak the idiomatic or colloquial language of immigrants  
11 residing in the school district, and employed for the purpose of  
12 easing the transition period of such immigrants.

13 (b) Every principal appointed after August thirty-first, one  
14 thousand nine hundred fifty-three, employed in the public  
15 schools of this Commonwealth, who devotes one-half or more of  
16 his time to supervision and administration, shall be properly  
17 certificated by the Department of Public Instruction in  
18 accordance with such standards as the State Board of Education  
19 may establish.

20 (c) An individual who is granted an administrative  
21 certificate by the Department of Education prior to January 1,  
22 2008, and who is employed for the first time in a position of  
23 principal, vice principal or assistant principal in a public  
24 school in this Commonwealth on or after January 1, 2008, shall  
25 complete the induction program provided for in subsection (f)  
26 within five years of appointment as a principal, vice principal  
27 or assistant principal.

28 (d) (1) An individual who applies on or after January 1,  
29 2008, for a certificate to become eligible to serve as a  
30 principal, vice principal or assistant principal in a public

1 school in this Commonwealth and who otherwise meets the  
2 requirements for such certificate shall be issued an  
3 Administrative I certificate.

4 (2) No individual may serve as a principal, vice principal  
5 or assistant principal on an Administrative I certificate for  
6 more than five school years.

7 (e) The holder of an Administrative I certificate shall be  
8 issued an Administrative II certificate upon application to the  
9 Department of Education verifying three years of satisfactory  
10 service on an Administrative I certificate and successful  
11 completion of the induction program provided for in subsection  
12 (f).

13 (f) (1) The Department of Education shall design and offer  
14 an induction program at no cost to those principals, vice  
15 principals and assistant principals who participate and at no  
16 cost to their employer school entities and shall approve other  
17 providers to offer induction programs. An induction program  
18 shall be designed to aid in development in the core school  
19 leadership standards identified in section 1217(a)(1).

20 (2) A participant in an induction program shall not be  
21 required to attend more than thirty-six (36) hours of induction  
22 during any one school year or a total of one hundred eight (108)  
23 hours over the course of the induction program.

24 (3) Hours of participation in an induction program shall be  
25 applied toward meeting the certificate holder's continuing  
26 professional education requirements under section 1205.2.

27 Section 5. Section 1113(c) of the act, amended August 5,  
28 1991 (P.L.219, No.25), is amended and the section is amended by  
29 adding a subsection to read:

30 Section 1113. Transferred Programs and Classes.--\* \* \*

1       (b.2) (1) The following shall apply to professional and  
2 temporary professional employes of a distressed school district  
3 in which pupils have been reassigned to another school district  
4 pursuant to section 1607.1:

5       (i) The distressed school district shall create a pool  
6 comprised of the professional and temporary professional  
7 employes who have received formal notice of suspension from the  
8 distressed school district as a result of the curtailment of the  
9 high school program.

10       (ii) Employes in the pool created under subclause (i) shall  
11 be offered employment by any school district with a border that  
12 is no more than three miles from a border of a distressed school  
13 district, as set forth in section 1607.1(a)(1), whenever that  
14 school district has a vacancy for a position that an employe in  
15 the pool is certified to fill, provided that no employe of the  
16 school district in which the vacancy exists, including a  
17 suspended or demoted employe, has a right to such vacancy under  
18 this act or the collective bargaining agreement of that school  
19 district.

20       (iii) No new employe shall be hired by any school district  
21 with a border that is three miles or less from a border of a  
22 distressed school district until the position has been offered,  
23 in order of seniority, to all properly certified members of the  
24 pool created under subclause (i).

25       (2) Employes hired from the pool as provided under this  
26 subsection shall be credited by the hiring school district for  
27 all sick leave accumulated in the distressed school district and  
28 shall be credited for years of service in the distressed school  
29 district for purposes of salary schedule placement. Temporary  
30 professional and professional employes shall further be credited



1 for their years of service in the distressed school district for  
2 purposes of sabbatical leave eligibility, suspension and  
3 realignment rights and eligibility for any retirement incentives  
4 or severance payments in a hiring school district.

5 (c) Nothing contained in [this section] subsections (a) and  
6 (b.1) shall be construed to supersede or preempt any provision  
7 of a collective bargaining agreement in effect on February 4,  
8 1982, and negotiated by a school entity and an exclusive  
9 representative of the employes in accordance with the act of  
10 July 23, 1970 (P.L.563, No.195), known as the "Public Employe  
11 Relations Act."

12 \* \* \*

13 Section 6. Section 1205.2(h) and (i) of the act, amended or  
14 added November 23, 1999 (P.L.529, No.48) and July 13, 2005  
15 (P.L.226, No.46), are amended to read:

16 Section 1205.2. Program of Continuing Professional  
17 Education.--\* \* \*

18 (h) The department shall provide the following information  
19 to professional educators and school entities:

20 (1) Notice of the number of credits or hours needed for a  
21 professional educator to comply with this section, as of the  
22 date on which such notice is given. Such notice shall be  
23 provided no later twelve (12) months prior to the end of a  
24 professional educator's five-year compliance period. For  
25 professional educators who have not completed sufficient credits  
26 or hours to comply with this section, such notice shall be  
27 provided in writing and mailed to the most recent address on  
28 record with the department. For professional educators who have  
29 completed sufficient credits or hours to comply with this  
30 section, such notice shall be provided by electronic means,

1 which shall include a notation on the electronic system  
2 maintained by the department pursuant to subsection (g)  
3 affirming that the professional educator has completed  
4 sufficient credits or hours to comply with this section.

5 (2) Reasonable access to reports and records relating to a  
6 professional educator's continuing professional education.

7 (3) Notice of inactive certification requested by a  
8 professional educator.

9 (4) Notice of inactive certification due to failure of the  
10 professional educator to meet the requirements of this section,  
11 whether or not the individual is employed by a school entity.  
12 The notice shall be provided no later than thirty-one (31) days  
13 prior to the date on which a professional educator's certificate  
14 is placed in inactive status, provided, that the department may  
15 only place a professional educator's certificate in inactive  
16 status between June 30 and July 31.

17 (5) Notice of reinstatement.

18 \* \* \*

19 (i) The Secretary of Education shall provide an educator  
20 with the opportunity to appeal any determination that the  
21 educator's certification is inactive pursuant to 2 Pa.C.S. Chs.  
22 5 (relating to practice and procedure) and 7 (relating to  
23 judicial review). If the secretary determines that an educator's  
24 certificate is inactive under this subsection, the effective  
25 date of the determination shall be between June 30 and July 31.

26 \* \* \*

27 Section 7. The act is amended by adding sections to read:

28 Section 1205.5. Continuing Professional Education for School  
29 or System Leaders.--(a) (1) Beginning January 1, 2008, every  
30 school or system leader shall meet the continuing professional

1 education requirements of section 1205.2 through participation  
2 in programs approved in accordance with this section.

3 (2) For any school or system leader who serves in both  
4 administrative and nonadministrative positions during a  
5 compliance period as defined in section 1205.2, the school or  
6 system leader's continuing professional education requirements  
7 shall be earned in programs approved in accordance with this  
8 section in no less than the same proportion as the proportion of  
9 the compliance period during which the school or system leader  
10 served on an administrative certificate or letter of  
11 eligibility.

12 (b) For the compliance period in effect on January 1, 2008,  
13 this section shall only apply to any credits or hours needed to  
14 satisfy the unmet requirements of the current compliance period.

15 (c) (1) The Department of Education shall design and offer  
16 continuing professional education programs at no cost to school  
17 or system leaders who are required by this section to  
18 participate and at no cost to their employer school entities.

19 (2) In the event that school or system leaders are unable to  
20 access these programs because all available slots are filled,  
21 the school or system leader may request and shall be granted  
22 upon review by the department an extension of the compliance  
23 period.

24 (d) The Department of Education shall approve other  
25 providers to offer induction and continuing professional  
26 education programs for school or system leaders and shall  
27 annually publish a list of approved providers.

28 (e) All programs offered or approved by the Department of  
29 Education under this section shall address the Pennsylvania  
30 school leadership standards pursuant to section 1217.

1       (f) The Secretary of Education may adopt standards as  
2 necessary to implement this section.

3       (g) For the purpose of this section, the term "school or  
4 system leader" shall mean an individual who serves on a  
5 certificate as a principal, vice principal, assistant principal,  
6 superintendent, assistant superintendent, intermediate unit  
7 executive director, assistant intermediate unit executive  
8 director or director of an area vocational-technical school.

9       Section 1217. Pennsylvania School Leadership Standards.--(a)  
10 Programs provided under section 1205.5(c) and (d) to prepare  
11 school or system leaders and for purposes of issuing  
12 administrator certificates or letters of eligibility and  
13 approved programs for the induction and continuing professional  
14 education of school or system leaders shall address:

15       (1) The following core standards:

16       (i) The knowledge and skills to think and plan strategically  
17 to create an organizational vision around personalized student  
18 success.

19       (ii) An understanding of standards-based systems theory and  
20 design and the ability to transfer that knowledge to the school  
21 or system leader's job as the architect of standards-based  
22 reform in the school.

23       (iii) The ability to access and use appropriate data to  
24 inform decision-making at all levels of the system.

25       (2) The following corollary standards:

26       (i) Creating a culture of teaching and learning with an  
27 emphasis on learning.

28       (ii) Managing resources for effective results.

29       (iii) Collaborating, communicating, engaging and empowering  
30 others inside and outside of the organization to pursue

1 excellence in learning.

2 (iv) Operating in a fair and equitable manner with personal  
3 and professional integrity.

4 (v) Advocating for children and public education in the  
5 larger political, social, economic, legal and cultural context.

6 (vi) Supporting professional growth of self and others  
7 through practice and inquiry.

8 (b) The State Board of Education may promulgate regulations  
9 to carry out the provisions of this section.

10 (c) For the purpose of this section, the term "school or  
11 system leader" shall mean an individual who serves on a  
12 certificate as a principal, vice principal, assistant principal,  
13 superintendent, assistant superintendent, intermediate unit  
14 executive director, assistant intermediate unit executive  
15 director or director of an area vocational-technical school.

16 Section 8. Section 1337.1(d) of the act, added May 10, 2000  
17 (P.L.44, No.16), is amended and the section is amended by adding  
18 a subsection to read:

19 Section 1337.1. School Lunch and Breakfast Reimbursement.--\*

20 \* \*

21 (c.1) (1) In order to promote initiatives regarding child  
22 health and nutrition, the department shall establish a School  
23 Nutrition Incentive Program. The program shall provide a  
24 supplemental school lunch and breakfast reimbursement to any  
25 school in a local education agency that has adopted and  
26 implemented the nutritional guidelines for food and beverages  
27 available on each school campus published by the department  
28 pursuant to section 1422.3(5).

29 (2) To qualify, the local wellness policy adopted by the  
30 local education agency pursuant to section 1422.1 must indicate

1 adoption of such guidelines.

2 (3) For the 2007-2008 school year and each school year  
3 thereafter, supplemental reimbursement shall be provided to  
4 schools in qualifying local education agencies as follows:

5 (i) Each school that offers the school lunch program under  
6 subsection (a) shall receive an additional reimbursement of one  
7 cent (1¢) per lunch served, exclusive of any additional  
8 supplemental reimbursement under subclause (iii) or (iv).

9 (ii) Each school that offers the school breakfast program  
10 under subsection (b) shall receive an additional reimbursement  
11 of one cent (1¢) per breakfast served, exclusive of any  
12 additional supplemental reimbursement under subclause (iii) or  
13 (iv).

14 (iii) Each school that offers both a school lunch program  
15 under subsection (a) and a school breakfast program under  
16 subsection (b) that serves breakfast to less than or equal to  
17 twenty per centum (20%) of its student enrollment shall receive  
18 an additional reimbursement of two cents (2¢) per lunch served.

19 (iv) Each school that offers both a school lunch program  
20 under subsection (a) and a school breakfast program under  
21 subsection (b) that serves breakfast to more than twenty per  
22 centum (20%) of its student enrollment shall receive an  
23 additional reimbursement of three cents (3¢) per lunch served.

24 (d) For the purposes of this section, the following terms  
25 shall have the following meanings:

26 "School" shall have the same meaning as given to that term in  
27 7 CFR 210.2 (relating to definitions).

28 "School lunch program" shall have the same meaning as given  
29 to [that term] the term "National School Lunch Program" in 7 CFR  
30 210.2 (relating to definitions).

1 "School breakfast program" shall have the same meaning as  
2 given to that term in 7 CFR [210.2 (relating to definitions).]  
3 Pt. 220 (relating to School Breakfast Program).

4 Section 9. Sections 1422.3 and 1512-C(g) of the act, added  
5 July 11, 2006 (P.L.1092, No.114), are amended to read:

6 Section 1422.3. Duties of Department of Education.--The  
7 Department of Education shall, in order to promote initiatives  
8 regarding child health, nutrition and physical education:

9 (1) To every extent possible, include programs related to  
10 child health, nutrition and physical education as part of the  
11 continuing professional education courses, programs, activities  
12 or learning experiences required under section 1205.2(f).

13 (2) Collaborate with the Department of Health to apply for  
14 Federal funds related to coordinated school health funding to  
15 enhance initiatives regarding child health, nutrition, physical  
16 education, local wellness policies and advisory health councils.

17 (3) Establish a clearinghouse of wellness policies and  
18 information regarding child health, nutrition and physical  
19 education submitted to the department by local education  
20 agencies pursuant to section 1422.1(c). Such information shall  
21 be made available on the department's Internet website.

22 (4) To every extent possible, maintain information related  
23 to teaching about nutrition and obesity, which information shall  
24 include concepts of healthy eating, including nutrient density  
25 and portion control, and the physical, psychological and  
26 nutritional causes of obesity. Such information shall be made  
27 available on the department's Internet website.

28 (5) Publish recommended nutritional guidelines for food and  
29 beverages sold in schools on the department's Internet website  
30 on or after the effective date of this clause.

1 Section 1512-C. Educational Assistance Program.

2 \* \* \*

3 (g) Educational assistance funding.--

4 (1) During the 2003-2004, 2004-2005, 2005-2006 [and],  
5 2006-2007 and 2007-2008 school years, the department shall  
6 provide each eligible school entity with educational  
7 assistance funding calculated by:

8 (i) Dividing the number of Pennsylvania System of  
9 School Assessment tests administered in the eligible  
10 school entity on which students scored below proficient  
11 in reading or mathematics by the total number of  
12 Pennsylvania System of School Assessment tests  
13 administered in the eligible school entity in reading and  
14 mathematics during the 2002-2003 school year.

15 (ii) Multiplying the quotient from subparagraph (i)  
16 by the average daily membership of the eligible school  
17 entity during the 2002-2003 school year.

18 (iii) Multiplying the product from subparagraph (ii)  
19 by the dollar value of funds appropriated to the  
20 Department of Education for the Educational Assistance  
21 Program in the 2004-2005 fiscal year.

22 (iv) Dividing the product from subparagraph (iii) by  
23 the sum of the products of subparagraph (ii) for all  
24 eligible school entities that qualify for grant funds  
25 under this paragraph.

26 (1.1) During the 2005-2006 [and], 2006-2007 and 2007-  
27 2008 school years, the department shall provide each school  
28 entity with at least one school that has failed to achieve  
29 its 2005 mathematics proficiency target or its 2005 reading  
30 proficiency target with educational assistance funding for



1 the support of tutoring services to eligible students  
2 enrolled in seventh through twelfth grades. Such funding  
3 shall be calculated as follows:

4 (i) Dividing the number of Pennsylvania System of  
5 School Assessment tests administered in the eligible  
6 school entity to eleventh grade students on which such  
7 students scored below the 2005 reading or mathematics  
8 proficiency target by the total number of Pennsylvania  
9 System of School Assessment tests administered in the  
10 eligible school entity to eleventh grade students in  
11 reading and mathematics during the 2003-2004 school year.

12 (ii) Multiplying the quotient from subparagraph (i)  
13 by the average daily membership of the eligible school  
14 entity during the 2004-2005 school year.

15 (iii) Multiplying the product from subparagraph (ii)  
16 by the difference between the dollar value of funds  
17 appropriated to the department for the educational  
18 assistance program in the 2004-2005 fiscal year and the  
19 dollar value of funds appropriated to the department for  
20 the educational assistance program in the [2006-2007]  
21 2007-2008 fiscal year.

22 (iv) Dividing the product from subparagraph (iii) by  
23 the sum of the products of subparagraph (ii) for all  
24 eligible school entities that qualify for grant funds  
25 under this paragraph.

26 (2) The amount of educational assistance funding  
27 provided under this article shall be limited to funds  
28 appropriated for this purpose.

29 \* \* \*

30 Section 10. The heading of Article XV-D of the act, added

1 December 23, 2003 (P.L.304, No.48), is amended to read:

2 ARTICLE XV-D.

3 [HEAD START SUPPLEMENTAL ASSISTANCE PROGRAM.]

4 EARLY LEARNING PROGRAMS

5 (a) Head Start Supplemental Assistance Program

6 Section 11. Section 1501-D of the act, amended or added  
7 December 23, 2003 (P.L.304, No.48) and July 13, 2005 (P.L.226,  
8 No.46), is amended to read:

9 Section 1501-D. Definitions.

10 The following words and phrases when used in this [article]  
11 subarticle shall have the meanings given to them in this section  
12 unless the context clearly indicates otherwise:

13 "Department." The Department of Education of the  
14 Commonwealth.

15 "Extended day services." Head Start and child-care services  
16 provided to children eligible for Head Start by a Head Start  
17 provider or through a collaborative agreement between a Head  
18 Start provider and a licensed child-care center, or a registered  
19 family or group day-care home for those hours and days beyond  
20 the hours funded through the Federal Head Start Program.

21 "Head Start." A program funded under the Federal Head Start  
22 Act established by the Omnibus Budget Reconciliation Act of 1981  
23 (Public Law 97-35, 95 Stat. 357) and carried out by a Head Start  
24 agency or delegate agency that provides ongoing comprehensive  
25 child development services.

26 "Program." The Head Start Supplemental Assistance Program  
27 established in section 1502-D.

28 "School entity." A school district, joint school district,  
29 independent school or an intermediate unit.

30 Section 12. Sections 1504-D, 1505-D and 1506-D of the act,

1 added December 23, 2003 (P.L.304, No.48), are amended to read:  
2 Section 1504-D. Annual report.

3 The department shall compile an annual report on the program  
4 for submission to the Governor, the chairmen of the  
5 Appropriations Committee and the Education Committee of the  
6 Senate and the chairmen of the Appropriations Committee and  
7 Education Committee of the House of Representatives. The report  
8 shall include:

9 (1) The number of eligible children served by Head Start  
10 as of [the effective date of this article] December 23, 2003.

11 (2) The number of eligible children served by the  
12 program during the 2005-2006 school year [that begins one  
13 year after the effective date of this article] and each  
14 school year thereafter.

15 (3) The number of extended day programs and the number  
16 of eligible children enrolled in extended day programs as of  
17 [the effective date of this article] December 23, 2003.

18 (4) The number of extended day programs and the number  
19 of eligible children enrolled in extended day programs during  
20 the 2005-2006 school year [that begins one year after the  
21 effective date of this article] and each school year  
22 thereafter.

23 (5) A summary of the types of activities funded under  
24 the program.

25 Section 1505-D. Head Start expansion.

26 (a) General rule.--The Department of Public Welfare shall[,  
27 within 90 days of the effective date of this article,]  
28 promulgate regulations necessary to assure eligibility for the  
29 child care subsidy for children enrolled in Head Start whose  
30 parents need extended hours of Head Start services in order to

1 work. During the time period of the child's enrollment in Head  
2 Start, the child shall remain eligible for the child care  
3 subsidy. Regulations promulgated under this section shall permit  
4 the use of child care subsidy funds to support full-day, full-  
5 year opportunities for Head Start participants.

6 (b) Final-omitted regulations.--The Department of Public  
7 Welfare, in adopting such revised regulations, shall follow the  
8 procedures set forth in the act of July 31, 1968 (P.L.769,  
9 No.240), referred to as the Commonwealth Documents Law, and the  
10 act of June 25, 1982 (P.L.633, No.181), known as the Regulatory  
11 Review Act, for the promulgation and review of final-omitted  
12 regulations.

13 Section 1506-D. Standards.

14 The department may promulgate any standards necessary to  
15 administer and enforce this [article] subarticle.

16 Section 13. Article XV-D of the act is amended by adding a  
17 subarticle to read:

18 (b) Pennsylvania Pre-K Counts Program

19 Section 1511-D. Definitions.

20 The following words and phrases when used in this subarticle  
21 shall have the meanings given to them in this section unless the  
22 context clearly indicates otherwise:

23 "Approved provider." An eligible provider that has been  
24 approved by the Department of Education to offer pre-  
25 kindergarten under this subarticle.

26 "At-risk child." A child who is at a risk of educational  
27 failure because of limited English proficiency, poverty,  
28 community factors, academic difficulties or economic  
29 disadvantage.

30 "Department." The Department of Education of the

1 Commonwealth.

2 "Eligible provider." Any of the following entities, if the  
3 entity complies with all quality program standards established  
4 by the Department of Education:

5 (1) A school district.

6 (2) A Head Start program.

7 (3) A nursery school licensed under the act of January  
8 28, 1988 (P.L.24, No.11), known as the Private Academic  
9 Schools Act.

10 (4) A child day care center or a group day care home  
11 that has met or exceeded the standards of STAR 2 under the  
12 Keystone STARS quality rating system established by the  
13 Department of Public Welfare.

14 "Eligible student." A child who is at least three years of  
15 age and is younger than the entry age of kindergarten in the  
16 school district of residence.

17 "Program." The Pre-K Counts Program established under  
18 section 1512-D.

19 Section 1512-D. Establishment of program.

20 To the extent that funds are appropriated by the General  
21 Assembly, the department shall establish the Pennsylvania Pre-K  
22 Counts Program as a competitive grant program to expand pre-  
23 kindergarten opportunities for eligible students.

24 Section 1513-D. Duties of department.

25 The department shall have the following powers and duties:

26 (1) To promulgate regulations and establish guidelines  
27 and standards necessary to implement this subarticle. In  
28 promulgating the initial regulations, the department shall  
29 follow the procedures provided in the act of July 31, 1968  
30 (P.L.769, No.240), referred to as the Commonwealth Documents

1 Law, and the act of June 25, 1982 (P.L.633, No.181), known as  
2 the Regulatory Review Act, for promulgation and review of  
3 final-omitted regulations. Subsequent regulations promulgated  
4 under this subarticle or amendments to the initial  
5 regulations shall not be in final-omitted form.

6 (2) To establish the process through which eligible  
7 providers may apply for grant funds, allowable and required  
8 grant uses and per-student funding levels and the criteria  
9 used to identify approved providers for grant funds.

10 (3) To identify one or more assessments to be used by  
11 approved providers, the cost of which shall be paid as part  
12 of an approved provider's grant award.

13 (4) To encourage the development and maintenance of  
14 community coordination and partnerships.

15 (5) To perform all other functions necessary to carry  
16 out the program, including the monitoring of approved  
17 providers.

18 (6) To enter into agreements with third-party entities,  
19 to include intermediate units, to carry out the provisions of  
20 this subarticle.

21 (7) To publish the process through which eligible  
22 providers may apply for grant funds, the criteria used to  
23 identify approved providers for grant funds and the per-  
24 student funding levels of approved providers, by county, on  
25 the department's Internet website and in the Pennsylvania  
26 Bulletin within 60 days of the effective date of this  
27 section.

28 Section 1514-D. Grant awards.

29 The department shall award grants under this subarticle to  
30 the extent that funds are appropriated for the program by the

1 General Assembly. The grants shall be awarded on a per-student  
2 basis for each eligible student served by an approved provider  
3 and shall not exceed the per-student cost of administering the  
4 approved provider's pre-kindergarten program. To the greatest  
5 extent possible, the department shall:

6 (1) Give priority in grant funding to approved providers  
7 serving the highest number or the highest percentage of at-  
8 risk eligible students.

9 (2) Give priority in grant funding to approved providers  
10 that received grant funds in the immediately preceding school  
11 year, have met the program standards and have demonstrated  
12 satisfactory implementation of the program.

13 (3) Ensure that grant funding is geographically  
14 dispersed to approved providers throughout this Commonwealth.

15 Section 1515-D. Duties of approved providers.

16 (a) General rule.--An approved provider that receives grant  
17 funds under this subarticle shall have the following duties:

18 (1) Maintain separate accounts in its budget to  
19 facilitate monitoring and auditing of the use of the grant  
20 funds. If the approved provider is a school district, the  
21 school district shall not place grant funds in a reserve  
22 account. In no case shall the approved provider use grant  
23 funds for administrative costs as defined by the department.

24 (2) Plan to provide no fewer than 180 days of pre-  
25 kindergarten over the course of the school year. A half-day  
26 program shall provide no fewer than two and one-half hours of  
27 instructional activities per day. A full-day program shall  
28 provide no fewer than five hours of instructional activities  
29 per day.

30 (3) Align the pre-kindergarten program's curriculum with

1 early learning standards established by the department.

2 (4) Perform all other duties pursuant to applicable  
3 regulations and standards.

4 (b) Calculation of average daily membership.--An eligible  
5 student shall not be included in the average daily membership of  
6 an approved provider for the purpose of providing funding  
7 allocations pursuant to Article XXV.

8 Section 1516-D. Reporting.

9 (a) General rule.--No later than October 1, 2008, and  
10 October 1 of each year thereafter in which funding is  
11 appropriated for the purpose of providing grants to approved  
12 providers under this subarticle, the department shall submit a  
13 report to the chairman and minority chairman of the  
14 Appropriations Committee of the Senate, the chairman and  
15 minority chairman of the Appropriations Committee of the House  
16 of Representatives, the chairman and minority chairman of the  
17 Education Committee of the Senate and the chairman and minority  
18 chairman of the Education Committee of the House of  
19 Representatives summarizing the operation of the program for the  
20 immediately preceding fiscal year. The report shall include:

21 (1) A description of the operation of the program,  
22 including:

23 (i) The criteria used to determine the eligibility  
24 of a provider for funding under the program.

25 (ii) The criteria used to determine the amount of  
26 grant funds paid to approved providers.

27 (iii) A summary of the process used by eligible  
28 providers to apply for grant funds, including sample  
29 copies of all application forms, instructions, guidelines  
30 and deadlines.



1           (2) A summary of the total amount of grant funds paid to  
2 approved providers.

3           (3) A summary of the allowable uses of grant funds under  
4 the program.

5           (4) A description of the assessments used to measure the  
6 academic progress of eligible students served through the  
7 program.

8           (5) A listing by county of each eligible provider  
9 submitting a grant application and indicating whether the  
10 eligible provider received funding and the amount thereof.

11           (6) For each approved provider, a report by county  
12 indicating:

13               (i) Name.

14               (ii) Address.

15               (iii) The number of eligible students served through  
16 the program.

17               (iv) The use or uses of the grant funds.

18               (v) The assessment of academic progress of each  
19 eligible student served through the program.

20               (vi) Of the eligible students served through the  
21 program, the number who are three years of age and the  
22 number who are four years of age.

23               (vii) To the extent possible, the total number of  
24 students receiving pre-kindergarten services itemized to  
25 identify:

26                   (A) The number of students receiving services as  
27 a result of tuition paid by the parent or guardian.

28                   (B) The number of students receiving services  
29 through the program.

30                   (C) The number of students receiving services

1 through the State Head Start Supplemental Assistance  
2 and Federal Head Start programs.

3 (viii) To the extent possible, a financial summary  
4 indicating the total expenditures of each approved  
5 provider and indicating as components of those  
6 expenditures, the total revenues received from the  
7 Commonwealth through early childhood programs  
8 administered by the Department of Public Welfare, the  
9 total revenues received from the Commonwealth under the  
10 program and the total revenues received from  
11 nonparticipating families with children enrolled in the  
12 program.

13 (ix) The enrollment goals as set forth in the grant  
14 application.

15 (x) To the extent possible, the number of eligible  
16 students served through the program who were funded  
17 through the subsidized day-care programs administered by  
18 the Department of Public Welfare and the number of  
19 eligible students served through the program who were  
20 funded through the Federal Head Start program or the  
21 State Head Start Supplemental Assistance program.

22 (b) Interim report.--No later than February 1, 2008, the  
23 department shall submit an interim report regarding the program  
24 to the chairman and minority chairman of the Appropriations  
25 Committee of the Senate, the chairman and minority chairman of  
26 the Appropriations Committee of the House of Representatives,  
27 the chairman and minority chairman of the Education Committee of  
28 the Senate and the chairman and minority chairman of the  
29 Education Committee of the House of Representatives summarizing  
30 the operation of the program for the 2007-2008 fiscal year. The

1 interim report shall include the items listed in subsection  
2 (a)(1), (2), (3), (4), (5) and (6)(i), (ii), (iii), (iv), (vi)  
3 and (ix).

4 Section 14. The act is amended by adding a section to read:

5 Section 1607.1. Distressed School Districts and Student  
6 Attendance in Other Districts.--(a) If a third class school  
7 district in which a public high school is not maintained  
8 operates and, for at least five consecutive years, has operated  
9 under a special board of control under section 692, has been  
10 placed on the education empowerment list under section 1703-B,  
11 has, with the approval of the secretary, curtailed its  
12 educational program by eliminating its high school, and has not  
13 assigned its high school pupils to another school district or  
14 school districts and provided adequate transportation in a  
15 manner pursuant to section 1607, the secretary shall have the  
16 following authority:

17 (1) To designate two or more school districts that shall  
18 accept on a tuition basis the high school students of a  
19 distressed school district, so long as a designated school  
20 district's border is no more than three miles from the border of  
21 the distressed school district. Such designation shall occur no  
22 later than fifteen (15) days after the effective date of this  
23 section. No designated school district shall be assigned more  
24 than one hundred sixty-five (165) students from the distressed  
25 school district.

26 (2) To establish a process that a distressed school district  
27 shall use to reassign its high school students to the school  
28 districts designated under paragraph (1).

29 (3) To establish the per-pupil tuition rate that a school  
30 district designated under paragraph (1) shall receive for each

1 reassigned student in a regular or special education program.  
2 For the 2007-2008 school year, the tuition rate shall be the  
3 2006-2007 high school tuition charge of each of the school  
4 districts designated under paragraph (1). For the 2008-2009  
5 school year and each school year thereafter, the tuition rate  
6 established under this paragraph may not exceed the tuition rate  
7 established for the 2007-2008 school year multiplied by the  
8 greater of either two per centum (2%) or the percentage increase  
9 in total budgeted revenues available to a distressed school  
10 district.

11 (b) A school district designated under subsection (a)(1)  
12 shall provide transportation to reassigned students to its high  
13 school and shall be eligible for transportation reimbursement in  
14 a manner consistent with section 2541.

15 (c) The secretary shall publish the following on the  
16 Department of Education's Internet website no later than August  
17 1, 2007, and August 1 of each year thereafter and in the  
18 Pennsylvania Bulletin no later than September 30, 2007, and  
19 September 30 of each year thereafter:

20 (1) The names of the school districts designated under  
21 subsection (a)(1).

22 (2) The process established under subsection (a)(2).

23 (3) The tuition rate established under subsection (a)(3).

24 (d) Notwithstanding any other provision of law, regulation,  
25 guideline, directive, decision or agreement to the contrary, any  
26 school district that is designated under subsection (a)(1) may  
27 not be required to include the students in its public school  
28 enrollment report for the purposes of determining an  
29 interscholastic sports classification by a private entity that  
30 is organized under the laws of this Commonwealth to administer

1 interscholastic athletics.

2 (e) A student assigned to a school district designated under  
3 subsection (a)(1) shall be included in the average daily  
4 membership of the student's school district of residence for the  
5 purpose of providing basic education funding allocations and  
6 special education funding payments pursuant to Article XXV.

7 (f) No later than February 1, 2008, and February 1 of each  
8 year thereafter, the Legislative Budget and Finance Committee  
9 shall submit a report to the chairman and minority chairman of  
10 the Appropriations and Education Committees of the Senate and to  
11 the chairman and minority chairman of the Appropriations and  
12 Education Committees of the House of Representatives summarizing  
13 the financial and academic status of a distressed school  
14 district under this section and including an audit of its  
15 accounts for the immediately preceding school year.

16 (g) For the 2007-2008 and 2008-2009 school years, a school  
17 district designated under subsection (a)(1) shall receive an  
18 additional per-pupil sum of five hundred dollars (\$500) for  
19 students reassigned pursuant to this section. These additional  
20 funds shall be used for transition services to students,  
21 including, but not limited to, student mentoring, tutoring,  
22 employe in-service programs designed to assist transitioning  
23 students and security expenditures.

24 (h) (1) No later than October 1, 2007, the secretary shall  
25 establish an Education Advisory Committee which shall provide  
26 semi-annual reports to the secretary. Such reports to the  
27 secretary may include, but are not limited to:

28 (i) An evaluation of the transition of students that have  
29 been assigned to a school district designated under subsection  
30 (a)(1).

1     (ii) Recommendations for changes to the process established  
2 under subsection (a)(2).

3     (iii) Recommendations for improving education opportunities  
4 for students of a distressed school district under this section.

5     (2) The secretary shall provide the Education Advisory  
6 Committee a written response to the semi-annual report required  
7 under this paragraph.

8     (3) The Education Advisory Committee shall consist of  
9 members selected by the secretary, including:

10     (i) A representative of each school district designated  
11 under subsection (a)(1) recommended by the board of school  
12 directors of the designated school district.

13     (ii) A member of the board of control of the distressed  
14 school district.

15     (iii) An administrator from each school district designated  
16 under subsection (a)(1) and from the distressed school district.

17     (iv) A teacher from each school district designated under  
18 subsection (a)(1) and from the distressed school district.

19     (v) An elected official representing voters in each school  
20 district designated under subsection (a)(1) and the distressed  
21 school district.

22     (vi) Three residents of each of the school districts  
23 designated under subsection (a)(1).

24     (vii) Three residents of the distressed school district.

25     (viii) An employe of the Department of Education, who shall  
26 not be a current member of the board of control.

27     (ix) A representative of the intermediate unit in which the  
28 school districts designated under subsection (a)(1) and the  
29 distressed school district are located.

30     Section 15. Section 1603-B(d)(2) of the act, amended July

1 11, 2006 (P.L.1092, No.114), is amended to read:

2 Section 1603-B. Responsibilities of department and State Board  
3 of Education.

4 \* \* \*

5 (d) Supplemental grants.--

6 \* \* \*

7 (2) (i) The total amount of grant funds available under  
8 this subsection shall equal [15%] 22% of the total amount  
9 of funds appropriated for concurrent enrollment programs  
10 under this article. Where funds available for  
11 supplemental grants are insufficient to fund the full  
12 amount of all supplemental grants under this subsection,  
13 supplemental grant amounts shall be reduced on a pro rata  
14 basis.

15 (ii) Where the total amount of supplemental grants  
16 provided on behalf of low-income concurrent students is  
17 less than the total amount of grant funds available under  
18 this paragraph, any unexpended grant funds shall be made  
19 available for other concurrent students.

20 \* \* \*

21 Section 16. The act is amended by adding a section to read:

22 Section 1704.1-B. Superintendent Power to Recommend  
23 Dismissal.--(a) The superintendent of a school district shall  
24 have the authority to recommend to the board of school directors  
25 dismissal of a management employe for unsatisfactory performance  
26 or wilful misconduct.

27 (b) The board of school directors shall consider a  
28 recommendation of the superintendent for dismissal of a  
29 management employe. A recommendation for dismissal of a  
30 management employe shall be subject to the provisions of section

1 508.

2 (c) The action of the board of school directors in  
3 dismissing an employe under this article shall not be deemed an  
4 adjudication under 2 Pa.C.S. Ch. 5 Subch. A (relating to  
5 practice and procedure of Commonwealth agencies) nor shall it be  
6 subject to a hearing under section 514, 1125.1 or 1122.

7 (d) For the purposes of this section:

8 (i) The term "management employe" shall mean an employe who  
9 holds a management position above the level of first level  
10 supervisor. This term shall not include a principal, assistant  
11 principal, vice principal or any position requiring a  
12 certificate from the Secretary of Education.

13 (ii) The term "school district" shall mean a school district  
14 that has been designated by the Secretary of Education as a  
15 Commonwealth partnership school district.

16 (e) This section shall expire December 31, 2009.

17 Section 17. Section 1705-B(h)(4) of the act, amended July  
18 11, 2006 (P.L.1092, No.114), is amended to read:

19 Section 1705-B. Education Empowerment Districts.--\* \* \*

20 (h) \* \* \*

21 (4) The department may utilize up to [\$3,500,000] \$4,500,000  
22 of undistributed funds not expended, encumbered or committed  
23 from appropriations for grants and subsidies made to the  
24 department to assist school districts certified as an education  
25 empowerment district under paragraph (3). There is hereby  
26 established a restricted account from which payments under this  
27 paragraph shall be paid. Funds shall be transferred by the  
28 Secretary of the Budget to the restricted account to the extent  
29 necessary to make payments under this paragraph. Funds in the  
30 restricted account are hereby appropriated to carry out the



1 purposes of this paragraph. The subsidy payment from this  
2 account shall be utilized to supplement the operational budget  
3 of the eligible school districts. This paragraph shall apply to  
4 fiscal years 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-  
5 2005, 2005-2006 [and], 2006-2007 and 2007-2008 and shall expire  
6 June 30, [2007] 2008.

7 Section 18. Section 1707-B(b) of the act, amended November  
8 22, 2000 (P.L.672, No.91), is amended to read:

9 Section 1707-B. Boards of Control for Certain School  
10 Districts.--\* \* \*

11 (b) (1) A board of control in an education empowerment  
12 district certified under this section shall consist of [five  
13 (5)] seven (7) residents of the school district [who], five (5)  
14 of whom shall be appointed by the mayor of the coterminous city  
15 within fourteen (14) days of the certification of the school  
16 district as an education empowerment district[. Members of the  
17 board of control shall serve at the pleasure of the mayor.] and  
18 two (2) of whom shall be elected by and from the members of the  
19 elected board of school directors.

20 (2) The members of the board of control that are elected by  
21 and from the members of the elected board of school directors  
22 shall serve on the board of control for a period of time  
23 concurrent with their terms of office as members of the elected  
24 board of school directors and are not subject to removal by the  
25 mayor.

26 (3) The members of the board of control that are not elected  
27 by and from the members of the elected board of school directors  
28 shall serve at the pleasure of the mayor.

29 \* \* \*

30 Section 19. Section 1905-D(d) of the act, added July 11,

1 2006 (P.L.1092, No.114), is amended to read:

2 Section 1905-D. State Funding.--\* \* \*

3 (d) Grants from funds appropriated to community education  
4 councils in any fiscal year shall be paid in an amount no less  
5 than and in the same manner as payments in fiscal year [2005-  
6 2006] 2006-2007. If a community education council ceases to  
7 exist, the funds may be distributed to the remaining community  
8 education councils on a pro rata basis.

9 Section 20. The act is amended by adding an article to read:

10 ARTICLE XIX-F

11 PENNSYLVANIA TECHNICAL COLLEGE PROGRAM

12 Section 1901-F. Definitions.

13 The following words and phrases when used in this article  
14 shall have the meanings given to them in this section unless the  
15 context clearly indicates otherwise:

16 "Department." The Department of Education of the  
17 Commonwealth.

18 "Educationally underserved area." As defined in Article XIX-  
19 D.

20 "Eligible applicant." Any of the following:

21 (1) An institution of higher education.

22 (2) An institution of higher education in partnership  
23 with one or more of the following:

24 (i) Another institution of higher education.

25 (ii) An area vocational-technical school or ATVS, as  
26 defined under 22 Pa. Code § 4.3 (relating to  
27 definitions).

28 (iii) A community education council, as defined  
29 under section 1901-D.

30 (iv) A private licensed school as the term is

1 defined under section 2 of the act of December 15, 1986  
2 (P.L.1585, No.174), known as the Private Licensed Schools  
3 Act, that is authorized to confer the degree of Associate  
4 in Specialized Technology or Associate in Specialized  
5 Business and is accredited by the Accrediting Commission  
6 of Career Schools and Colleges of Technology or the  
7 Accrediting Council for Independent Colleges and Schools.

8 "Institution of higher education." Any of the following:

9 (1) An institution of the State System of Higher  
10 Education created under Article XX-A.

11 (2) A community college created under Article XIX-A.

12 (3) The Pennsylvania State University, the University of  
13 Pittsburgh, Temple University, Lincoln University and their  
14 branch campuses.

15 (4) An institution as the term is defined under 24  
16 Pa.C.S. § 6501(a) (relating to applicability of chapter) that  
17 is accredited by the Middle States Commission on Higher  
18 Education. The term does not include an institution which is  
19 determined by the Department of Education to be a theological  
20 seminary or school of theology or a sectarian and  
21 denominational institution.

22 "Lead sponsor." An institution of higher education which as  
23 an eligible applicant receives approval to establish a technical  
24 college program.

25 "Program." The Pennsylvania Technical College Program  
26 approved under this article.

27 Section 1902-F. Pennsylvania Technical College Program.

28 To the extent that funds are appropriated by the General  
29 Assembly, the department shall establish the Pennsylvania  
30 Technical College Program as a competitive grant program to

1 prepare students in educationally underserved areas for high-  
2 demand occupations that require a postsecondary certificate or  
3 associate degree.

4 Section 1903-F. Duties of department.

5 The department shall have the following powers and duties:

6 (1) Establish guidelines and standards necessary to  
7 implement this article. Such guidelines shall include the  
8 identification of approved fields of study and a process for  
9 considering requests for approval of fields of study that are  
10 not listed and that meet criteria established by the  
11 department, eligibility requirements, designated  
12 educationally underserved areas, a description of program  
13 requirements and limitations and funding information.

14 (2) Establish the process through which eligible  
15 applicants may apply for grant funds including the  
16 identification of required and allowable grant uses, the  
17 criteria used to approve programs, annual limits on student  
18 tuition and fees and limits on enrollment eligible for State  
19 funding.

20 (3) Perform all other functions necessary to carry out  
21 this article, including the monitoring and reporting of  
22 approved programs and student outcomes.

23 Section 1904-F. Program requirements.

24 Grant recipients shall do all of the following:

25 (1) Award, through the lead sponsor, credit-bearing  
26 certificates and associate degrees. No other degree or  
27 credential shall be awarded under the program. Associate  
28 degrees awarded through the program shall be limited to one  
29 of the following:

30 (i) An associate of arts degree.

1           (ii) An associate of sciences degree.

2           (iii) An associate of applied sciences degree, if an  
3           articulation agreement exists to enable the bearer of the  
4           associate of applied sciences degree to transfer the  
5           degree for full credit to an institution of higher  
6           education in pursuit of a bachelor's degree.

7           (2) Offer a program of study designed to be completed in  
8           no more than two years for a full-time student or an  
9           equivalent period for a part-time student. Each course  
10           included in an approved program of study shall be offered for  
11           college credit.

12           (3) Establish enrollment standards that include, but are  
13           not limited to, limiting enrollment to persons who have  
14           earned a high school diploma or equivalent and have been  
15           residents of this Commonwealth for at least 18 months prior  
16           to enrollment.

17           (4) Establish financial aid policies providing that a  
18           student enrolled in the program shall be eligible for  
19           publicly funded financial aid opportunities in the same  
20           manner as students enrolled in the lead sponsor institution.

21 Section 1905-F. Grant awards.

22           (a) General rule.--The department shall award grants to a  
23           lead sponsor under this article to the extent that funds are  
24           appropriated for the Pennsylvania Technical College Program by  
25           the General Assembly, as follows:

26           (1) Operating grants that are awarded on a per-student  
27           basis. The department shall be responsible for the allocation  
28           and distribution of State funding among programs; provided,  
29           that the department shall:

30           (i) Give priority in grant funding to programs

1 providing access in educationally underserved areas that  
2 are seeking renewal of grant funding and that have met  
3 the program standards and demonstrated satisfactory  
4 implementation of the program.

5 (ii) To the greatest extent possible, ensure that  
6 grant funding is geographically dispersed to approved  
7 programs located in educationally underserved areas of  
8 the Commonwealth.

9 (2) Equipment grants that are awarded pursuant to  
10 guidelines and processes established by the department.

11 (b) Restriction.--Payments made under this section shall not  
12 be used for construction or purchase of space.

13 Section 1906-F. Promulgation of standards.

14 Within 30 days of the effective date of this section, the  
15 department shall promulgate interim standards necessary to  
16 ensure the establishment of quality programs under this article  
17 and which shall be published in the Pennsylvania Bulletin. The  
18 interim standards shall not be subject to review under the act  
19 of June 25, 1982 (P.L.633, No.181), known as the Regulatory  
20 Review Act, nor shall they be subject to sections 201, 202, 203,  
21 204 and 205 of the act of July 31, 1968 (P.L.769, No.240),  
22 referred to as the Commonwealth Documents Law, or section 204 of  
23 the act of October 15, 1980 (P.L.950, No.164), known as the  
24 Commonwealth Attorneys Act. Within one year of publication of  
25 the interim standards in the Pennsylvania Bulletin, the  
26 department shall promulgate proposed standards. The interim  
27 standards shall remain in effect until the effective date of the  
28 final standards.

29 Section 1907-F. Annual reports.

30 No later than October 1, 2008, and October 1 of each year

1 thereafter in which funding is appropriated for the purpose of  
2 providing grants under this article, the department shall submit  
3 a report to the chairman and minority chairman of the  
4 Appropriations Committee of the Senate, the chairman and  
5 minority chairman of the Appropriations Committee of the House  
6 of Representatives, the chairman and minority chairman of the  
7 Education Committee of the Senate and the chairman and minority  
8 chairman of the Education Committee of the House of  
9 Representatives summarizing the operations and successes of the  
10 Pennsylvania Technical College Program during the prior fiscal  
11 year. The report shall include:

12 (1) A description of the operations of the Pennsylvania  
13 Technical College Program including:

14 (i) The criteria used to evaluate the applications  
15 for funding under the grant program.

16 (ii) The criteria used to identify fields of study,  
17 educationally underserved areas and annual tuition rates.

18 (2) A list of the total amount of grant funds paid to  
19 lead sponsors by higher education institutions, approved  
20 programs, fields of study, geographic areas served by the  
21 programs and fiscal year.

22 (3) A summary of financial information including  
23 revenues and expenditures by programs, including all sources  
24 of funding for each program, such as tuition, lead sponsor  
25 financial support and partnering entity support.

26 (4) A summary of programmatic information including  
27 approved programs, fields of study, educationally underserved  
28 areas participating, number of student enrollments, credits  
29 awarded, certificates awarded, degrees awarded and graduate  
30 placement information.

1           (5) A description of the evaluation process to measure  
2 the success of the Pennsylvania Technical College Program  
3 with respect to increasing access, improving opportunities  
4 and controlling costs. The process should include an  
5 identification of program goals and objectives and related  
6 measures and the results of implementation of the identified  
7 evaluation process.

8           Section 21. Section 2006-B(a) of the act, amended July 11,  
9 2006 (P.L.1092, No.114), is amended to read:

10 Section 2006-B. Limitations.

11           (a) Amount.--

12           (1) The total aggregate amount of all tax credits  
13 approved shall not exceed [~~\$54,000,000~~] \$67,000,000 in a  
14 fiscal year. No less than [~~\$36,000,000~~] \$44,666,667 of the  
15 total aggregate amount shall be used to provide tax credits  
16 for contributions from business firms to scholarship  
17 organizations. No less than [~~\$18,000,000~~] \$22,333,333 of the  
18 total aggregate amount shall be used to provide tax credits  
19 for contributions from business firms to educational  
20 improvement organizations.

21           (2) (i) For the fiscal year 2004-2005 [and each fiscal  
22 year thereafter,], 2005-2006 and 2006-2007, the total  
23 aggregate amount of all tax credits approved for  
24 contributions from business firms to pre-kindergarten  
25 scholarship programs shall not exceed \$5,000,000 in a  
26 fiscal year.

27           (ii) For the fiscal year 2007-2008 and each fiscal  
28 year thereafter, the total aggregate amount of all tax  
29 credits approved for contributions from business firms to  
30 pre-kindergarten scholarship programs shall not exceed





1 remaining unallocated funds may be distributed at the discretion  
2 of the State Librarian.

3 Section 24. Section 2502.13 of the act is amended by adding  
4 a subsection to read:

5 Section 2502.13. Small District Assistance.--\* \* \*

6 (m) For the school year 2006-2007, the Commonwealth shall  
7 pay to each school district which has an average daily  
8 membership of one thousand five-hundred (1,500) or less and a  
9 market value/income aid ratio of six thousand ten-thousandths  
10 (0.6000) or greater an amount equal to thirty dollars (\$30)  
11 multiplied by that district's average daily membership and by  
12 that district's market value/income aid ratio.

13 Section 25. The act is amended by adding a section to read:

14 Section 2502.47. Basic Education Funding for 2006-2007  
15 School Year.--For the 2006-2007 school year, the Commonwealth  
16 shall pay to each school district a basic education funding  
17 allocation which shall consist of the following:

18 (1) An amount equal to the basic education funding  
19 allocation for the 2005-2006 school year under sections 2502.13,  
20 2502.45 and 2504.4.

21 (2) If a school district has been declared a Commonwealth  
22 partnership school district under Article XVII-B, an amount  
23 equal to four million dollars (\$4,000,000).

24 (3) A base supplement calculated as follows:

25 (i) If the school district's market value/income aid ratio  
26 is equal to or greater than seven thousand three hundred ninety-  
27 one ten-thousandths (.7391):

28 (A) Multiply the school district's 2007-2008 market  
29 value/income aid ratio by its 2006-2007 average daily  
30 membership.

1 (B) Multiply the product from clause (A) by five million  
2 nine hundred fifty thousand dollars (\$5,950,000).

3 (C) Divide the product from clause (B) by the sum of the  
4 products of the 2007-2008 market value/income aid ratio  
5 multiplied by the 2006-2007 average daily membership for all  
6 qualifying school districts.

7 (ii) If the school district's 2007-2008 market value/income  
8 aid ratio is equal to or greater than six thousand six hundred  
9 fifteen ten-thousandths (.6615) and less than seven thousand  
10 three hundred ninety-one ten-thousandths (.7391):

11 (A) Multiply the school district's 2007-2008 market value/  
12 income aid ratio by its 2006-2007 average daily membership.

13 (B) Multiply the product from clause (A) by seventeen  
14 million five hundred twenty thousand dollars (\$17,520,000).

15 (C) Divide the product from clause (B) by the sum of the  
16 products of the 2007-2008 market value/income aid ratio  
17 multiplied by the 2006-2007 average daily membership for all  
18 qualifying school districts.

19 (iii) If the school district's 2007-2008 market value/  
20 income aid ratio is equal to or greater than five thousand eight  
21 hundred fifty-six ten-thousandths (.5856) and less than six  
22 thousand six hundred fifteen ten-thousandths (.6615):

23 (A) Multiply the school district's 2007-2008 market  
24 value/income aid ratio by its 2006-2007 average daily  
25 membership.

26 (B) Multiply the product from clause (A) by seven million  
27 eight hundred thousand dollars (\$7,800,000).

28 (C) Divide the product from clause (B) by the sum of the  
29 products of the 2007-2008 market value/income aid ratio  
30 multiplied by the 2006-2007 average daily membership for all

1 qualifying school districts.

2 (iv) If the school district's 2007-2008 market value/income  
3 aid ratio is equal to or greater than four thousand one hundred  
4 ninety-five ten-thousandths (.4195) and less than five thousand  
5 eight hundred fifty-six ten-thousandths (.5856):

6 (A) Multiply the school district's 2007-2008 market value/  
7 income aid ratio by its 2006-2007 average daily membership.

8 (B) Multiply the product from clause (A) by eleven million  
9 four hundred thousand dollars (\$11,400,000).

10 (C) Divide the product from clause (B) by the sum of the  
11 products of the 2007-2008 market value/income aid ratio  
12 multiplied by the 2006-2007 average daily membership for all  
13 qualifying school districts.

14 (v) If the school district's 2007-2008 market value/income  
15 aid ratio is less than four thousand one hundred ninety-five  
16 ten-thousandths (.4195):

17 (A) Multiply the school district's 2007-2008 market value/  
18 income aid ratio by its 2006-2007 average daily membership.

19 (B) Multiply the product from clause (A) by six million  
20 twenty-five thousand dollars (\$6,025,000).

21 (C) Divide the product from clause (B) by the sum of the  
22 products of the 2007-2008 market value/income aid ratio  
23 multiplied by the 2006-2007 average daily membership for all  
24 qualifying school districts.

25 (4) A poverty supplement calculated for qualifying school  
26 districts as follows:

27 (i) For a school district to qualify for the poverty  
28 supplement:

29 (A) forty percent (40%) or more of the students enrolled in  
30 the school district on October 31, 2006, must have been eligible

1 for free or reduced price meals under the school lunch program  
2 and the school district's 2007-2008 market value/income aid  
3 ratio must be at least four thousand five hundred ten-  
4 thousandths (.4500); or

5 (B) equal to or greater than thirty percent (30%) and fewer  
6 than forty percent (40%) of the students enrolled in the school  
7 district on October 31, 2006, must have been eligible for free  
8 or reduced price meals under the school lunch program and the  
9 school district's 2007-2008 market value/income aid ratio must  
10 be at least six thousand five hundred ten-thousandths (.6500).

11 (ii) The poverty supplement shall be calculated for  
12 qualifying school districts as follows:

13 (A) Multiply the school district's 2007-2008 market value/  
14 income aid ratio by its 2006-2007 average daily membership by  
15 the percent of students enrolled in the school district on  
16 October 31, 2006, who were eligible for free or reduced price  
17 meals under the school lunch program.

18 (B) Multiply the product from clause (A) by twenty-six  
19 million dollars (\$26,000,000).

20 (C) Divide the product from clause (B) by the sum of the  
21 products of the 2007-2008 market value/income aid ratio  
22 multiplied by the 2006-2007 average daily membership multiplied  
23 by the percent of students enrolled in the school district on  
24 October 31, 2006, who were eligible for free or reduced price  
25 meals under the school lunch program for all qualifying school  
26 districts.

27 (5) A foundation supplement calculated for qualifying  
28 districts as follows:

29 (i) To qualify for the foundation supplement, a school  
30 district's 2005-2006 adjusted current expenditures per average

1 daily membership must be less than the foundation target and its  
2 2005-2006 equalized millage must be greater than or equal to  
3 18.0. For the purpose of this subsection, the "foundation  
4 target" shall be one of the following:

5 (A) The 2003-2004 median current expenditures per average  
6 daily membership increased by three and nine-tenths percent  
7 (3.9%) and further increased by three and four-tenths percent  
8 (3.4%).

9 (B) For a school district where at least fifty percent (50%)  
10 of students enrolled in the school district on October 31, 2006,  
11 were eligible for free or reduced price meals under the school  
12 lunch program, the amount referenced under clause (A) increased  
13 by twenty percent (20%).

14 (ii) The foundation supplement shall be calculated for  
15 qualifying school districts as follows:

16 (A) Multiply the school district's 2007-2008 market  
17 value/income aid ratio by its 2006-2007 average daily  
18 membership.

19 (B) Multiply the product in clause (A) by the lesser of:

20 (I) five hundred dollars (\$500), or if its 2007-2008 market  
21 value/income aid ratio is equal to or greater than seven  
22 thousand ten-thousandths (.7000), eight hundred fifty dollars  
23 (\$850);

24 (II) the difference between the value of the foundation  
25 target and the school district's 2005-2006 adjusted current  
26 expenditures per average daily membership; or

27 (III) if the school district's 2005-2006 equalized millage  
28 is less than twenty-one and one-tenth (21.1), the product of the  
29 lesser of the amount in clause (B)(I) or (II) and the quotient  
30 of its 2005-2006 equalized millage divided by twenty-one and

1 one-tenth (21.1).

2 (C) Multiply the product from clause (B) by forty million  
3 dollars (\$40,000,000).

4 (D) Divide the product from clause (C) by the sum of the  
5 products from clause (B).

6 (iii) If a qualifying school district's 2005-2006 equalized  
7 millage is equal to or greater than twenty-four and seven-tenths  
8 (24.7), it shall receive an additional payment calculated as  
9 follows:

10 (A) Multiply the product from subparagraph (ii)(B) by  
11 eighteen million dollars (\$18,000,000).

12 (B) Divide the product from clause (A) by the sum of the  
13 products from subparagraph (ii)(B) for qualifying school  
14 districts.

15 (6) A tax effort supplement calculated for qualifying school  
16 districts as follows:

17 (i) To qualify for this portion of the tax effort  
18 supplement, the percent change in a school district's market  
19 value from 2000 to 2005 must be less than ten percent (10%).

20 (ii) This portion of the tax effort supplement shall be  
21 calculated for qualifying school districts as follows:

22 (A) Multiply the school district's 2007-2008 market  
23 value/income aid ratio by its 2006-2007 average daily  
24 membership.

25 (B) Multiply the product from clause (A) by three million  
26 dollars (\$3,000,000).

27 (C) Divide the product from clause (B) by the sum of the  
28 products of the 2007-2008 market value/income aid ratio  
29 multiplied by the 2006-2007 average daily membership for all  
30 qualifying school districts.

1        (iii) To qualify for this portion of the tax effort  
2 supplement, a school district's 2007-2008 market value/income  
3 aid ratio must be greater than four thousand five hundred ten-  
4 thousandths (.4500), the residential portion of its 2005  
5 assessed valuation as determined by the State Tax Equalization  
6 Board must be greater than eighty-seven percent (87%), its 2005-  
7 2006 equalization millage must be greater than twenty-two and  
8 five-tenths (22.5), and its 2007-2008 market value/income aid  
9 ratio minus its 1994-1995 market value/income aid ratio must be  
10 greater than one thousand ten-thousandths (.1000).

11        (iv) This portion of the tax effort supplement shall be  
12 calculated for qualifying school districts as follows:

13        (A) Multiply the school district's 2006-2007 average daily  
14 membership by five hundred thousand dollars (\$500,000).

15        (B) Divide the product from clause (A) by the sum of the  
16 2006-2007 average daily membership for all qualifying school  
17 districts.

18        (7) A growth supplement calculated for qualifying school  
19 districts as follows:

20        (i) To qualify for the growth supplement, the school  
21 district's 2005-2006 average daily membership must be at least  
22 five percent (5%) greater than the school district's 2000-2001  
23 average daily membership, the school district's 2005 market  
24 value per 2005-2006 average daily membership must be less than  
25 or equal to nineteen and one-half percent (19.50%) greater than  
26 the school district's 2000 market value per 2000-2001 average  
27 daily membership and the school district's 2006-2007 average  
28 daily membership must be greater than the school district's  
29 2005-2006 average daily membership.

30        (ii) The growth supplement shall be calculated for



1 qualifying school districts as follows:

2 (A) Multiply the school district's 2007-2008 market value/  
3 income aid ratio by the difference between the school district's  
4 2005-2006 average daily membership and the school district's  
5 2006-2007 average daily membership.

6 (B) Multiply the product from clause (A) by two million five  
7 hundred thousand dollars (\$2,500,000).

8 (C) Divide the product from clause (B) by the sum of the  
9 products of the 2007-2008 market value/income aid ratio  
10 multiplied by the difference between the 2005-2006 average daily  
11 membership and the 2006-2007 average daily membership for all  
12 qualifying school districts.

13 (8) Each school district shall receive an inflation index  
14 supplement as necessary so that the sum of the amounts under  
15 section 2502.13, 2504.4 and paragraphs (3), (4), (5), (6) and  
16 (7) and this paragraph equal three and four-tenths percent  
17 (3.4%) multiplied by its 2007-2008 market value/income aid ratio  
18 of the amount in paragraph (1).

19 (9) Each school district shall receive additional funding as  
20 necessary so that the sum of the amounts under section 2502.13,  
21 2504.4 and paragraphs (3), (4), (5), (6), (7) and (8) and this  
22 paragraph shall equal at least two percent (2.00%) of the amount  
23 in paragraph (1).

24 Section 26. Sections 2504.4, 2509.1 and 2509.5 of the act  
25 are amended by adding subsections to read:

26 Section 2504.4. Payments on Account of Limited English  
27 Proficiency Programs.--\* \* \*

28 (a.3) To qualify for limited English proficiency payments  
29 under this section, a school district's 2007-2008 market  
30 value/income aid ratio must be equal to or greater than three

1 thousand eight hundred ten-thousandths (.3800) and the number of  
2 enrolled students identified as limited English proficient in  
3 the 2005-2006 school year must be equal to or greater than three  
4 and one-half percent (3.5%) of the school district's 2005-2006  
5 average daily membership. The allocation under this section  
6 shall be paid in fiscal year 2007-2008 out of the appropriation  
7 for basic education funding and calculated for qualifying school  
8 districts as follows:

9 (1) Multiply the number of enrolled students identified as  
10 limited English proficient in the 2005-2006 school year by two  
11 million seven hundred thousand dollars (\$2,700,000).

12 (2) Divide the product from paragraph (1) by the sum of  
13 enrolled students identified as limited English proficient for  
14 all qualifying school districts.

15 Section 2509.1. Payments to Intermediate Units.--\* \* \*

16 (b.15) Up to eleven million two hundred thousand dollars  
17 (\$11,200,000) may be utilized for programs administered and  
18 operated by intermediate units during the 2007-2008 school year  
19 for institutionalized children as established in subsection  
20 (b.1).

21 \* \* \*

22 Section 2509.5. Special Education Payments to School  
23 Districts.--\* \* \*

24 (vv) During the 2007-2008 school year, each school district  
25 shall be paid the amount it received during the 2006-2007 school  
26 year under subsections (rr), (ss), (tt) and (uu).

27 (ww) During the 2007-2008 school year, twenty-seven million  
28 six hundred eighty-two thousand one hundred and ninety-three  
29 dollars (\$27,682,193) of the funds appropriated to the  
30 Department of Education for special education shall be used to

1 provide supplemental funding for special education to all school  
2 districts. Each school district shall receive a funding  
3 supplement calculated as follows:

4 (1) multiply each school district's 2007-2008 market  
5 value/income aid ratio by sixteen percent (16%) of its 2006-2007  
6 average daily membership;

7 (2) multiply the product from paragraph (1) by twenty-seven  
8 million dollars (\$27,000,000); and

9 (3) divide the resultant product from paragraph (2) by the  
10 sum of the products of the 2007-2008 market value/income aid  
11 ratio multiplied by sixteen percent (16%) of the 2006-2007  
12 average daily membership for all school districts.

13 (xx) Each school district shall receive an inflation index  
14 supplement as necessary so that the amounts under subsection  
15 (ww) and this subsection equal three and four-tenths percent  
16 (3.4%) multiplied by each school district's 2007-2008 market  
17 value/income aid ratio of the amount in subsection (vv).

18 (yy) Each school district for which the sum of the  
19 supplements under subsections (ww) and (xx) provides an amount  
20 less than two percent (2%) of the amount provided under  
21 subsection (vv) shall receive additional funding as necessary so  
22 that the sum of the amounts provided under subsections (ww),  
23 (xx) and this subsection equals two percent (2%) of the amount  
24 provided under subsection (vv).

25 Section 27. The act is amended by adding a section to read:

26 Section 2526.1. Budget Stabilization Plan Progress Report.--

27 (a) A school district of the first class shall submit a budget  
28 stabilization plan progress report to the Secretary of Education  
29 and the Secretary of the Budget in a manner prescribed by the  
30 Secretary of Education no later than October 15, 2007, for the

1 period ending September 30, 2007, and no later than January 15,  
2 2008, for the period ending December 31, 2007.

3 (b) (1) The Secretary of Education shall approve a report  
4 that demonstrates that planned cost reduction measures adopted  
5 by a school district of the first class and resulting projected  
6 savings included in a budget adopted by a school district of the  
7 first class have occurred as scheduled or have been replaced  
8 with substitute cost reduction measures that have generated  
9 equal savings.

10 (2) In the case of a report deemed to be unsatisfactory, the  
11 Secretary of Education shall disapprove the report and make any  
12 necessary recommendations to a school district of the first  
13 class.

14 (3) The Secretary of Education may withhold any State  
15 appropriation that may become due to a school district of the  
16 first class after the deadline for submitting a budget  
17 stabilization plan progress report until such time as a budget  
18 stabilization plan progress report is approved pursuant to this  
19 subsection.

20 (c) The Secretary of Education shall provide a copy of any  
21 budget stabilization plan progress report submitted by a school  
22 district of the first class to the chairman and minority  
23 chairman of the Appropriations Committee of the Senate, the  
24 chairman and minority chairman of the Appropriations Committee  
25 of the House of Representatives, the chairman and minority  
26 chairman of the Education Committee of the Senate and the  
27 chairman and the minority chairman of the Education Committee of  
28 the House of Representatives.

29 Section 28. Section 2541 is amended by adding a subsection  
30 to read:

1 Section 2541. Payments on Account of Pupil Transportation.--

2 \* \* \*

3 (f) Effective for the 2007-2008 school year, any school  
4 district that is required to transport resident students of a  
5 distressed school district pursuant to section 1607.1(b) shall  
6 be reimbursed by the Commonwealth the additional sum of three  
7 hundred eighty-five dollars (\$385) for each student reassigned  
8 to a school district designated pursuant to section  
9 1607.1(a)(1).

10 Section 29. Section 2591.1(c.1) and (d) of the act, amended  
11 or added July 4, 2004 (P.L.536, No.70), are amended to read:

12 Section 2591.1. Commonwealth Reimbursements for Charter  
13 Schools and Cyber Charter Schools.--\* \* \*

14 (c.1) (1) For the 2003-2004 school year and each school  
15 year thereafter, except for the 2006-2007 school year as  
16 provided under paragraph (2), the Commonwealth shall pay to each  
17 school district with resident students enrolled during the  
18 immediately preceding school year in a charter school, a charter  
19 school approved under section 1717-A or 1718-A which provides  
20 instruction through the Internet or other electronic means or a  
21 cyber charter school as defined under Article XVII-A, an amount  
22 equal to thirty percent (30%) of the total funding required  
23 under section 1725-A(a).

24 (2) For the 2006-2007 school year, the payment required  
25 under this subsection shall be equal to thirty-two and forty-  
26 five hundredths percent (32.45%) of the amount required under  
27 section 1725-A(a) where the school district has:

28 (i) average daily membership of resident students enrolled  
29 in a charter school, a charter school approved under section  
30 1717-A or 1718-A which provides instruction through the Internet

1 or other electronic means or a cyber charter school as defined  
2 under Article XVII-A equal to or greater than twelve percent  
3 (12%) of the school district's 2006-2007 average daily  
4 membership;

5 (ii) a 2007-2008 market value/income aid ratio of equal to  
6 or greater than six thousand ten thousandths (.6000); and

7 (iii) made payments equal to or greater than one million  
8 dollars (\$1,000,000) as required under section 1725-A(a).

9 \* \* \*

10 (d) (1) For the fiscal year 2003-2004 and each fiscal year  
11 thereafter, if insufficient funds are appropriated to make  
12 Commonwealth payments pursuant to this section, such payments  
13 shall be made on a pro rata basis.

14 (2) For fiscal year 2007-2008, when determining if  
15 sufficient funds are available, the Department of Education  
16 shall include in the calculation two million dollars  
17 (\$2,000,000) in addition to the funds appropriated to the  
18 Department of Education for this purpose.

19 Section 30. Section 2599.2(c) and (d.1)(1) of the act,  
20 amended or added July 13, 2005 (P.L.226, No.46) and July 11,  
21 2006 (P.L.1092, No.114), are amended, the section is amended by  
22 adding subsections and subsection (b) is amended by adding  
23 paragraphs to read:

24 Section 2599.2. Pennsylvania Accountability Grants.--\* \* \*

25 (b) The grant shall be used by a school district to attain  
26 or maintain academic performance targets. Funds obtained under  
27 this section may be used for any of the following:

28 \* \* \*

29 (12) Establishing, expanding or maintaining programs for  
30 instruction on world languages in the elementary grades, either

1 in immersion classrooms or as separate periods of instruction.

2 (13) Establishing, expanding or maintaining programs to  
3 strengthen high school curricula by creating rigorous college  
4 and career preparatory programs, increasing academic  
5 achievement, offering additional advanced placement courses,  
6 providing school-based counseling, and providing professional  
7 development.

8 (14) Establishing, expanding or maintaining programs to  
9 provide intensive teacher training, professional development  
10 opportunities and teaching resources to elementary level science  
11 teachers.

12 \* \* \*

13 (b.2) (1) If, for the 2007-2008 school year, the amount of  
14 funding that a school district receives under subsection (d.2)  
15 exceeds the amount of the grant that it received during the  
16 2006-2007 school year, the school district shall use its  
17 additional funds to establish or expand the full-day  
18 kindergarten program under subsection (b)(2).

19 (2) The department shall require each school district to  
20 certify as part of the plan submitted under subsection (c)(2)  
21 whether the school district will use its additional grant funds  
22 in compliance with this subsection.

23 (3) A school district that does one of the following shall  
24 forfeit the right to the additional grant funds received in the  
25 2007-2008 school year under subsection (d.2)(2) and (3) and all  
26 forfeited funds shall be distributed pursuant to subsection  
27 (d.3):

28 (i) Chooses in the 2007-2008 school year not to establish or  
29 expand a full-day kindergarten program consistent with the  
30 requirements of this subsection.

1        (ii) Submits a plan that does not comply with this section.

2        (c) (1) No later than April 10, 2004, and April 10, 2005,  
3 the department shall notify each school district of the grant  
4 amount it will receive under subsection (d). No later than April  
5 10, 2006, the department shall notify each school district of  
6 the grant amount it will receive under subsection (d.1).

7        (1.1) For the 2007-2008 school year, the department shall  
8 notify each school district of the programs and activities  
9 authorized under subsection (b)(12), (13) and (14) and of its  
10 grant amount under subsection (d.3) within fifteen (15) days of  
11 the effective date of this paragraph.

12        (2) Within thirty (30) days of receipt of the notification  
13 under paragraph (1), the school district shall submit to the  
14 department an accountability grant plan. The plan shall include:

15        (i) Reference to the programs or activities under subsection  
16 (b) for which the grant funds will be used.

17        (ii) Identification of whether the grant funds will be used  
18 to establish, maintain or expand the programs or activities  
19 referenced under subparagraph (i).

20        (iii) A brief description of the programs or activities for  
21 which the grant funds will be used.

22        (2.1) For the 2007-2008 school year, a school district that  
23 proposes to use the grant funds for a program or activity not  
24 referenced in the accountability grant plan submitted under  
25 paragraph (2) shall submit an amended accountability grant plan  
26 to the department within thirty (30) days of the effective date  
27 of this paragraph. The amended plan shall include the  
28 information required under paragraph (2).

29        (3) (i) Where the accountability grant plan submitted under  
30 paragraph (2) proposes to use the grant funds for a program or



1 activity under subsection (b)(11), the department shall have  
2 fifteen (15) days from the receipt of the plan to disapprove the  
3 use and notify the school district of the reason for the  
4 disapproval. Within thirty (30) days of the receipt of notice of  
5 disapproval, the school district shall submit a revised  
6 accountability grant plan under paragraph (2).

7 (ii) Where the accountability grant plan submitted under  
8 paragraph (2) proposes to use the grant funds for a program or  
9 activity under subsection (b)(11) and the school district fails  
10 to receive notification from the secretary within fifteen (15)  
11 days of receipt that its request has been disapproved, the  
12 school district may proceed to implement the proposed programs  
13 or activities.

14 (4) Where the accountability grant plan submitted under  
15 paragraph (2) or where the amended accountability grant plan  
16 submitted under paragraph (2.1) proposes to use the grant funds  
17 for a program or activity under subsection (b)(1), (2), (3),  
18 (4), (5), (6), (7), (8), (9) [or], (10), (12), (13) or (14), the  
19 department may, within thirty (30) days from the receipt of the  
20 plan, make nonbinding recommendations for alternative  
21 utilization of the grant funds.

22 (5) No later than February 1, 2005, and February 1 of each  
23 year thereafter, the department shall submit a report to the  
24 majority and minority chairs of the Appropriations and Education  
25 Committees of the Senate and to the majority and minority chairs  
26 of the Appropriations and Education Committees of the House of  
27 Representatives summarizing the operation of the program for  
28 that fiscal year. The report shall include:

29 (i) A description of the operation of the program.

30 (ii) A summary of the total amount of grant funds paid to

1 school districts.

2 (iii) A summary of the uses of grant funds to school  
3 districts.

4 (iv) An identification of the number of school districts  
5 that used grant funds for each of the programs or activities  
6 under subsection (b).

7 (v) A listing of each school district and the program or  
8 activity under subsection (b) for which the grant funds were  
9 used.

10 (vi) An identification of the number of school districts  
11 that used grant funds to establish, maintain or expand the  
12 program or activity for which the grant funds were used.

13 (vii) A listing of each school district and whether the  
14 grant funds were used to establish, maintain or expand the  
15 program or activity for which the grant funds were used.

16 \* \* \*

17 (d.1) (1) During the 2006-2007 school year [and each school  
18 year thereafter], the department shall pay to each school  
19 district a Pennsylvania accountability grant equal to the amount  
20 determined in subsection (d) plus the sum of the amounts  
21 calculated under paragraphs (2) and (3).

22 \* \* \*

23 (d.2) (1) During the 2007-2008 school year, the department  
24 shall pay to each school district a Pennsylvania accountability  
25 grant equal to the amount determined under subsection (d.1) plus  
26 the sum of the amounts calculated under paragraphs (2) and (3).

27 (2) Each school district shall receive an amount based on  
28 the percentage of its students scoring below proficient on PSSA  
29 tests administered in the school district, calculated as  
30 follows:

1 (i) Divide the number of PSSA tests administered in the  
2 school district on which students scored below proficient in  
3 reading or mathematics during the 2005-2006 school year by the  
4 total number of PSSA tests scored in reading and mathematics in  
5 the school district during the 2005-2006 school year.

6 (ii) Multiply the quotient from subparagraph (i) by the  
7 average daily membership of the school district for the 2005-  
8 2006 school year.

9 (iii) Multiply the product from subparagraph (ii) by the  
10 market value/income aid ratio of the school district for the  
11 2006-2007 school year.

12 (iv) Multiply the product from subparagraph (iii) by  
13 eighteen million seven hundred fifty thousand dollars  
14 (\$18,750,000).

15 (v) Divide the product from subparagraph (iv) by the sum of  
16 the products of subparagraph (iii) for all school districts.

17 (3) Each school district shall receive an amount based on  
18 the percentage of its students scoring at or above proficient on  
19 PSSA tests administered in the school district, calculated as  
20 follows:

21 (i) Divide the number of PSSA tests administered in the  
22 school district on which students scored at or above proficient  
23 in reading or mathematics during the 2005-2006 school year by  
24 the total number of PSSA tests scored in reading and mathematics  
25 in the school district during the 2005-2006 school year.

26 (ii) Multiply the quotient from subparagraph (i) by the  
27 average daily membership of the school district for the 2005-  
28 2006 school year.

29 (iii) Multiply the product from subparagraph (ii) by the  
30 market value/income aid ratio of the school district for the

1 2006-2007 school year.

2 (iv) Multiply the product from subparagraph (iii) by six  
3 million two hundred fifty thousand dollars (\$6,250,000).

4 (v) Divide the product from subparagraph (iv) by the sum of  
5 the products of subparagraph (iii) for all school districts.

6 (d.3) (1) During the 2007-2008 school year, the department  
7 shall pay a Pennsylvania accountability grant supplement from  
8 funds subject to distribution pursuant to subsection (b.2)(3)  
9 equal to the amount calculated under paragraphs (2), (3), (4)  
10 and (5).

11 (2) Each school district with a 2006-2007 full-day  
12 kindergarten average daily membership shall receive an amount  
13 based on the percentage of its students scoring below proficient  
14 on PSSA tests administered in the school district, calculated as  
15 follows:

16 (i) Divide the number of PSSA tests administered in the  
17 school district on which students scored below proficient in  
18 reading or mathematics during the 2005-2006 school year by the  
19 total number of PSSA tests scored in reading and mathematics in  
20 the school district during the 2005-2006 school year.

21 (ii) Multiply the quotient from subparagraph (i) by the  
22 full-day kindergarten estimated average daily membership of the  
23 school district for the 2006-2007 school year.

24 (iii) Multiply the product from subparagraph (ii) by the  
25 market value/income aid ratio of the school district for the  
26 2006-2007 school year.

27 (iv) Multiply the product from subparagraph (iii) by three  
28 million seven hundred fifty thousand dollars (\$3,750,000).

29 (v) Divide the product from subparagraph (iv) by the sum of  
30 the products of subparagraph (iii) for all eligible school

1 districts under this paragraph.

2 (3) Each school district with a 2006-2007 full-day  
3 kindergarten average daily membership shall receive an amount  
4 based on the percentage of its students scoring at or above  
5 proficient on PSSA tests administered in the school district,  
6 calculated as follows:

7 (i) Divide the number of PSSA tests administered in the  
8 school district on which students scored at or above proficient  
9 in reading or mathematics during the 2005-2006 school year by  
10 the total number of PSSA tests scored in reading and mathematics  
11 in the school district during the 2005-2006 school year.

12 (ii) Multiply the quotient from subparagraph (i) by the  
13 full-day kindergarten estimated average daily membership of the  
14 school district for the 2006-2007 school year.

15 (iii) Multiply the product from subparagraph (ii) by the  
16 market value/income aid ratio of the school district for the  
17 2006-2007 school year.

18 (iv) Multiply the product from subparagraph (iii) by one  
19 million two hundred fifty thousand dollars (\$1,250,000).

20 (v) Divide the product from subparagraph (iv) by the sum of  
21 the products of subparagraph (iii) for all eligible school  
22 districts under this paragraph.

23 (4) Each school district shall receive an amount equal to  
24 two percent (2%) of the amount determined pursuant to subsection  
25 (d.1).

26 (5) After amounts have been paid pursuant to paragraphs (2),  
27 (3) and (4), any remaining funds subject to distribution  
28 pursuant to subsection (b.2)(3) shall be allocated to each  
29 school district as follows:

30 (i) Multiply the school district's 2006-2007 market

1 value/income aid ratio by the number of additional full-day  
2 kindergarten students to be enrolled in the newly established or  
3 expanded full-day kindergarten program in the school district as  
4 indicated in the accountability grant plan submitted under  
5 subsection (c).

6 (ii) Multiply the product from subparagraph (i) by the total  
7 amount of forfeited grant funds subject to distribution under  
8 this paragraph.

9 (iii) Divide the product from subparagraph (ii) by the sum  
10 of the products from subparagraph (i) of all school districts  
11 with additional full-day kindergarten students to be enrolled in  
12 newly established or expanded full-day kindergarten programs.

13 Section 31. This act shall take effect immediately.