
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 842 Session of
2007

Report of the Committee of Conference

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

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(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 employees in accordance with the act of
10 July 23, 1970 (P.L.563, No.195), known as the "Public Employee
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.