

## No. 2008-61

## AN ACT

HB 1067

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," in preliminary provisions, further providing for background checks of prospective employees and conviction of employees of certain offenses and prohibiting certain regulations for the 2008-2009 school year; in school finances, further providing for annual budget, additional or increased appropriations and transfer of funds; in pupils and attendance, providing for classroom placement of twins and higher order multiples and parental discretion; in safe schools, further providing for Office for Safe Schools, providing for policy relating to bullying, and further providing for transfer of records; in educational support services and educational assistance programs, further providing for Educational Assistance Program; in early learning programs, further providing for definitions; in high schools, establishing the Virtual High School Study Commission; in charter schools, further providing for requirements, for term and form of charter, for facilities, for enrollment, for transportation and for causes for nonrenewal or termination; in education empowerment, further providing for board of school directors, for education empowerment districts and for mandate waiver program; in community colleges, further providing for financial program and reimbursement of payments; in disruptive student programs, further providing for definitions and for applications; in System of Higher Education, further providing for annual report; in educational improvement tax credit, further providing for definitions, for tax credits and for limitations and providing for State-related university reporting; in school districts of the first class, further providing for board of public education and additional duties; in funding for public libraries, providing for State aid for fiscal year 2008-2009; in reimbursements by Commonwealth and between school districts, further providing for definitions and for funding for partnership schools, providing for basic education funding for student achievement and for accountability to Commonwealth taxpayers further providing for payments to intermediate units, for special education payments to school districts, for Commonwealth reimbursements for charter and cyber charter schools and for Pennsylvania accountability grants.

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

Section 1. Section 111(b) and (c.1) of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, amended December 19, 1990 (P.L.1362, No.211) and July 20, 2007 (P.L.278, No.45), are amended and the section is amended by adding a subsection to read:

Section 111. Background Checks of Prospective Employees; Conviction of Employes of Certain Offenses.—\* \* \*

(b) Administrators of public and private schools, intermediate units and area vocational-technical schools shall require prospective employes to submit with their employment application, pursuant to 18 Pa.C.S. Ch.91 (relating to criminal history record information), a report of criminal history

record information from the Pennsylvania State Police or a statement from the Pennsylvania State Police that the State Police central repository contains no such information relating to that person. Such *report of criminal history record information* [shall be limited to that which is disseminated pursuant to 18 Pa.C.S. § 9121(b)(2) (relating to general regulations) and] shall be no more than one (1) year old. An applicant may submit a copy of the required information with the application for employment. Administrators shall maintain a copy of the required information [and shall require each applicant to produce the original document prior to employment]. Administrators shall require contractors to produce [the original document] *a report of criminal history record information* for each prospective employe of such contractor prior to employment. *A copy of the report of criminal history record information from the Pennsylvania State Police shall be made available to the applicant in a manner prescribed by the Department of Education.*

\* \* \*

(c.1) Beginning April 1, 2007, administrators shall [require the applicant to submit with] *maintain on file with* the application for employment a copy of the Federal criminal history record in a manner prescribed by the Department of Education. At a minimum, the Department of Education shall prescribe a method for applicants to submit a set of fingerprints to be transmitted to the Federal Bureau of Investigation for Federal criminal history record information pursuant to the [Federal Bureau of Investigation appropriation of Title II of Public Law 92-544, 86 Stat. 1115. When the applicant provides a copy of the] *applicable Federal law. The Federal criminal history record[, it] information report* shall be no more than one (1) year old. Administrators shall maintain a copy of the required information and shall require each applicant to [produce] *secure* a Federal criminal history record *information report* that may not be more than one (1) year old at the time of employment. [The original] *A copy of the Federal criminal history record [shall be returned to the applicant] information report shall be made available to the applicant in a manner prescribed by the Department of Education.*

(c.2) *The provisions of 18 Pa.C.S. § 9121(b)(2) (relating to general regulations) shall not apply if the request is made pursuant to this section.*

\* \* \*

Section 2. The act is amended by adding a section to read:

*Section 117. Prohibition of Certain Regulations for the 2008-2009 Fiscal Year.—Notwithstanding any provision of law to the contrary, in the 2008-2009 fiscal year, a regulation to change or establish high school graduation requirements shall not be further promulgated, approved or proposed.*

Section 3. Section 687(j) of the act, amended July 20, 2007 (P.L.278, No.45), is amended to read:

Section 687. Annual Budget; Additional or Increased Appropriations; Transfer of Funds.—\* \* \*

(j) Notwithstanding any other provisions of this act, the board of school directors of each school district may reopen its 2003-2004 budget, its 2004-2005 budget, its 2005-2006 budget, its 2006-2007 budget [or], its 2007-2008 budget *or its 2008-2009 budget* to reflect any State allocations for fiscal year 2003-2004, fiscal year 2004-2005, fiscal year 2005-2006, fiscal year 2006-2007 [or], fiscal year 2007-2008 *or fiscal year 2008-2009* provided by the General Assembly through this act.

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

**Section 1310.1. Classroom Placement of Twins or Higher Order Multiples; Parental Discretion.—(a) For the 2008-2009 school year and each school year thereafter, a parent or guardian of twins or higher order multiples in the same grade level at the same school may request that their children be placed in the same classroom or in separate classrooms. The school may recommend classroom placement to the parents and provide professional education advice to the parents to assist them in making the best decision for their children's education. Except as provided in subsections (b) and (c), a school shall provide the classroom placement of twins or higher order multiples requested by the children's parent or guardian, unless, after consultation with the school district superintendent or the superintendent's designee, the principal determines that alternative placement is necessary. The parent or guardian must request the classroom placement no later than ten (10) days after the first day of each school year or ten (10) days after the first day of attendance of the children during a school year if the children are enrolled in the school after the school year commences.**

**(b) If the principal of the school, in consultation with the teacher of each classroom in which the twins or higher order multiples are placed, determines that the requested classroom placement is disruptive to the classroom, the principal may determine the appropriate classroom placement for the siblings.**

**(c) A school district is not required to place twins or higher order multiples in separate classrooms if the request would require the school district to add an additional class to the grade level of the siblings.**

**(d) A parent may appeal the principal's classroom placement of twins or higher order multiples in the manner provided by school district policy.**

**(e) For purposes of this section, "higher order multiples" means triplets, quadruplets, quintuplets or larger groups of siblings resulting from the same delivery.**

Section 5. Section 1302-A(c) of the act, amended June 26, 1999 (P.L.394, No.36), is amended to read:

Section 1302-A. Office for Safe Schools.—\* \* \*

(c) In addition to the powers and duties set forth under subsection (a), the office is authorized to make targeted grants to schools to fund programs

which address school violence, including, but not limited to, the following programs:

- (1) Conflict resolution or dispute management.
- (2) Peer helpers programs.
- (3) Risk assessment, safety-related or violence prevention curricula.
- (4) Classroom management.
- (5) Student codes of conduct.
- (6) Training to undertake a districtwide assessment of risk factors that increase the likelihood of problem behaviors among students.
- (7) Development and implementation of research-based violence prevention programs that address risk factors to reduce incidents of problem behaviors among students *including, but not limited to, bullying*.
- (8) Comprehensive, districtwide school safety and violence prevention plans.
- (9) Security planning, purchase of security-related technology which may include metal detectors, protective lighting, surveillance equipment, special emergency communications equipment, electronic locksets, deadbolts and theft control devices and training in the use of security-related technology. Security planning and purchase of security-related technology shall be based on safety needs identified by the school entity's board of directors.
- (10) Institution of student, staff and visitor identification systems.
- (11) Establishment or enhancement of school security personnel, including school resource officers.
- (12) Provision of specialized staff and student training programs, including training for Student Assistance Program team members in elementary, middle and high schools in the referral of students at risk of violent behavior to appropriate community-based services, including mental health services.
- (13) Alternative education programs provided for in Article XIX-C.
- (14) Counseling services for students enrolled in alternative education programs.

\* \* \*

Section 6. The act is amended by adding a section to read:

***Section 1303.1-A. Policy Relating to Bullying.—(a) No later than January 1, 2009, each school entity shall adopt a policy or amend its existing policy relating to bullying and incorporate the policy into the school entity's code of student conduct required under 22 Pa. Code § 12.3(c) (relating to school rules). The policy shall delineate disciplinary consequences for bullying and may provide for prevention, intervention and education programs, provided that no school entity shall be required to establish a new policy under this section if one currently exists and reasonably fulfills the requirements of this section. The policy shall identify the appropriate school staff person to receive reports of incidents of alleged bullying.***

*(b) Each school entity shall make the policy available on its publicly accessible Internet website, if available, and in every classroom. Each school entity shall post the policy at a prominent location within each school building where such notices are usually posted. Each school entity shall ensure that the policy and procedures for reporting bullying incidents are reviewed with students within ninety (90) days after their adoption and thereafter at least once each school year.*

*(c) Each school entity shall review its policy every three (3) years and annually provide the office with a copy of its policy relating to bullying, including information related to the development and implementation of any bullying prevention, intervention and education programs. The information required under this subsection shall be attached to or made part of the annual report required under section 1303-A(b).*

*(d) In its policy relating to bullying adopted or maintained under subsection (a), a school entity shall not be prohibited from defining bullying in such a way as to encompass acts that occur outside a school setting if those acts meet the requirements contained in subsection (e)(1), (3) and (4). If a school entity reports acts of bullying to the office in accordance with section 1303-A(b), it shall report all incidents that qualify as bullying under the entity's adopted definition of that term.*

*(e) For purposes of this article, "bullying" shall mean an intentional electronic, written, verbal or physical act, or a series of acts:*

- (1) directed at another student or students;*
- (2) which occurs in a school setting;*
- (3) that is severe, persistent or pervasive; and*
- (4) that has the effect of doing any of the following:*
  - (i) substantially interfering with a student's education;*
  - (ii) creating a threatening environment; or*
  - (iii) substantially disrupting the orderly operation of the school; and*

*"school setting" shall mean in the school, on school grounds, in school vehicles, at a designated bus stop or at any activity sponsored, supervised or sanctioned by the school.*

Section 6.1. Section 1305-A of the act, added June 30, 1995 (P.L.220, No.26), is amended to read:

Section 1305-A. Transfer of Records.—Whenever a pupil transfers to another school entity *or nonpublic school*, a certified copy of the student's disciplinary record shall be transmitted to the school entity *or nonpublic school* to which the pupil has transferred. The school entity *or nonpublic school* to which the student has transferred should request the record. The sending school entity *or nonpublic school* shall have ten (10) days from receipt of the request to supply a certified copy of the student's disciplinary record. *The requirements of this section apply as well to transfers between schools within the same school entity.*

Section 7. Section 1512-C(g) of the act, amended July 20, 2007 (P.L.278, No.45), is amended and the section is amended by adding a subsection to read:

Section 1512-C. Educational Assistance Program.

\* \* \*

(g) Educational assistance funding.—

(1) During the 2003-2004, 2004-2005, 2005-2006, 2006-2007 **[and]**, 2007-2008 *and* **2008-2009** school years, the department shall provide each eligible school entity with educational assistance funding calculated by:

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

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

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

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

(1.1) During the 2005-2006, 2006-2007 **[and]**, 2007-2008 *and* **2008-2009** school years, the department shall provide each school entity with at least one school that has failed to achieve its 2005 mathematics proficiency target or its 2005 reading proficiency target with educational assistance funding for the support of tutoring services to eligible students enrolled in seventh through twelfth grades. Such funding shall be calculated as follows:

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

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

(iii) Multiplying the product from subparagraph (ii) by the difference between the dollar value of funds appropriated to the department for the educational assistance program in the 2004-2005

fiscal year and the dollar value of funds appropriated to the department for the educational assistance program in the 2007-2008 fiscal year.

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

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

\* \* \*

***(j) Pro rata distribution.—For the 2008-2009 fiscal year, if insufficient funds are appropriated to make Commonwealth payments pursuant to this section, such payments shall be made on a pro rata basis.***

Section 8. The definition of “eligible provider” in section 1511-D of the act, added July 20, 2007 (P.L.278, No.45), is amended to read:

Section 1511-D. Definitions.

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

\* \* \*

“Eligible provider.” Any of the following entities if the entity complies with all quality program standards established by the Department of Education:

- (1) A school district.
- (2) A Head Start program.
- (3) A nursery school licensed under the act of January 28, 1988 (P.L.24, No.11), known as the Private Academic Schools Act.

(4) [A] ***One of the following:***

***(i) Prior to July 1, 2009, a child day care center or a group day care home that has met or exceeded the standards of STAR 2 under the Keystone STARS quality rating system established by the Department of Public Welfare.***

***(ii) After June 30, 2009, a child day care center or a group day care home that has met or exceeded the standards of STAR 3 under the Keystone STARS quality rating system established by the Department of Public Welfare. Any approved provider under this subparagraph which has applied for a STAR 3 rating and which application has not been approved or rejected by the department as of June 30, 2009, shall remain eligible for the program until such application is rejected.***

\* \* \*

Section 9. The act is amended by adding a section to read:

***Section 1615. Virtual High School Study Commission.—(a) The Virtual High School Study Commission is established within the Department of Education to examine the feasibility and costs associated with creating a State-operated, Internet-based high school, to be known as the Pennsylvania Virtual High School, which would provide secondary***

*students throughout this Commonwealth with access to a wide range of learning services to include, at a minimum:*

*(1) Expanded curricular offerings such as higher level mathematics and science courses, foreign language courses and advanced placement courses.*

*(2) Increased options for concurrent enrollment in higher education.*

*(3) Scholastic Aptitude Testing preparation programs.*

*(4) Summer enrichment and tutoring courses.*

*(5) Increased instructional options for at-risk students, home-bound and alternative education students.*

*(6) Expanded offerings for gifted and talented students.*

*(7) Establishment of linkages between students and prospective employers, including those offering high school internships and apprenticeships.*

*(8) Establishment of programs or services to offer students at risk of dropping out or who have dropped out an opportunity to obtain a high school diploma.*

*(b) The Virtual High School Study Commission shall consist of the following members:*

*(1) The majority chairman and the minority chairman of the Education Committee of the Senate and the majority chairman and the minority chairman of the Education Committee of the House of Representatives.*

*(2) Two members of the Senate, one each to be chosen by the President pro tempore and Minority Leader of the Senate.*

*(3) Two members of the House of Representatives, one each to be chosen by the Majority Leader and Minority Leader of the House of Representatives.*

*(4) The Secretary of Education or a designee.*

*(5) The chairman of the State Board of Education or a designee who is a member of the State Board of Education.*

*(6) The Chancellor of the State System of Higher Education or a designee.*

*(7) The presidents of each of the Commonwealth's four State-related universities or their designees.*

*(8) The president of the Pennsylvania Commission for Community Colleges or a designee.*

*(9) The president of the Association of Independent Colleges and Universities of Pennsylvania or a designee.*

*(10) The president of the Pennsylvania Association of School Administrators or a designee.*

*(11) The president of the Pennsylvania Association of Elementary and Secondary School Principals or a designee.*

*(12) The president of the Pennsylvania Association of Intermediate Units or a designee.*



*(13) The president of the Pennsylvania Association of Rural and Small Schools or a designee.*

*(14) The president of the Pennsylvania League of Urban Schools or a designee.*

*(15) The president of the Pennsylvania Federation of Teachers or a designee.*

*(16) The president of the Pennsylvania State Education Association or a designee.*

*(17) The president of the Pennsylvania School Boards Association or a designee.*

*(18) The president of the Pennsylvania Parent Teacher Association or a designee.*

*(19) The president of the Pennsylvania Chamber of Business and Industry or a designee.*

*(20) Two representatives of Pennsylvania's broadband cable industry, one each to be selected by the President pro tempore of the Senate and the Speaker of the House of Representatives.*

*(21) Two chief executive officers of cyber charter schools approved pursuant to subdivision (c) of Article XVII-A, selected by the Pennsylvania Coalition of Charter Schools from among cyber charter schools approved pursuant to subdivision (c) of Article XVII-A.*

*Members of the commission shall be appointed within forty-five (45) days of the effective date of this section.*

*(c) Any vacancy on the Virtual High School Study Commission shall be filled by the original appointing officer or agency.*

*(d) The Virtual High School Study Commission shall select a chairman and vice chairman from among its membership at an organizational meeting. The organizational meeting shall take place no later than ninety (90) days following the effective date of this section.*

*(e) The Virtual High School Study Commission shall hold meetings at the call of the chairman. The commission may also hold public hearings on the matters to be considered by the commission at locations throughout this Commonwealth. All meetings and public hearings of the commission shall be deemed public meetings for the purpose of 65 Pa.C.S. Ch. 7 (relating to open meetings).*

*(f) Sixteen (16) members of the Virtual High School Study Commission shall constitute a quorum at any meeting. Each member of the commission may designate another person to represent that member at meetings of the commission.*

*(g) Virtual High School Study Commission members shall receive no compensation for their services but shall be reimbursed for all necessary travel and other reasonable expenses incurred in connection with the performance of their duties as members.*

*(h) (1) The Virtual High School Study Commission may employ technical and clerical staff as it deems necessary to carry out its responsibilities under this section.*

*(2) The Department of Education shall provide administrative support, office space and any other assistance required by the commission to carry out its duties under this act.*

*(3) Whenever possible, the Commission shall utilize the services and expertise of existing personnel and staff of State government, and, to this end the Governor, the President pro tempore of the Senate and Minority Leader of the Senate and the Speaker of the House of Representatives and the Minority Leader of the House of Representatives shall make such personnel and staff available to the commission to the fullest extent commensurate with the performance of their other duties.*

*(i) The Virtual High School Study Commission shall have the following powers and duties:*

*(1) Meeting with all segments of the basic and higher education communities, representatives of the State's business and labor communities and Internet service providers operating within this Commonwealth to discuss their potential involvement in the operation of a State virtual high school program.*

*(2) Meeting with current operators of Internet-based educational programs operating within this Commonwealth, including those operated by school districts, intermediate units and blended school programs.*

*(3) Reviewing State-operated virtual high school programs already in operation throughout the United States.*

*(4) Evaluating and making recommendations on the following:*

*(i) An agency or institution to be responsible for administration of the school and oversight of day-to-day operations.*

*(ii) Courses to be offered, including how they will be determined and assessed.*

*(iii) Faculty, including salaries, certification, training, professional development and evaluation.*

*(iv) Policies for awarding of credits.*

*(v) Assuring maximum accessibility to high school students in all geographic locations.*

*(vi) Student enrollment, verification of attendance and performance assessment.*

*(vii) Program accountability.*

*(viii) Methods for funding, including cost estimates.*

*(ix) Internet filtering, blocking and other security issues.*

*(x) Intellectual property issues such as patents, copyrights and trademarks.*

*(xi) Adaptation and accessibility for students with disabilities.*

*(xii) Such other issues as it deems appropriate.*

*(j) The Virtual High School Study Commission shall issue a report of its findings and recommendations to the Governor, the President pro tempore of the Senate and Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives, the majority chairman and minority chairman of the Education Committee of the Senate and the majority chairman and minority chairman of the Education Committee of the House of Representatives no later than December 31, 2009.*

Section 10. Section 1715-A of the act is amended by adding a clause to read:

Section 1715-A. Charter School Requirements.—Charter schools shall be required to comply with the following provisions:

\* \* \*

*(12) A person who serves as an administrator for a charter school shall not receive compensation from another charter school or from a company that provides management or other services to another charter school. The term “administrator” shall include the chief executive officer of a charter school and all other employes of a charter school who by virtue of their positions exercise management or operational oversight responsibilities. A person who serves as an administrator for a charter school shall be a public official under 65 Pa.C.S. Ch. 11 (relating to ethics standards and financial disclosure). A violation of this clause shall constitute a violation of 65 Pa.C.S. § 1103(a) (relating to restricted activities), and the violator shall be subject to the penalties imposed under the jurisdiction of the State Ethics Commission.*

Section 11. Section 1720-A of the act, added June 19, 1997 (P.L.225, No.22), is amended to read:

Section 1720-A. Term and Form of Charter.—*(a) Upon approval of a charter application under section 1717-A, a written charter shall be developed which shall contain the provisions of the charter application and which shall be signed by the local board of school directors of a school district, by the local boards of school directors of a school district in the case of a regional charter school or by the chairman of the appeal board pursuant to section 1717-A(i)(5) and the board of trustees of the charter school. This written charter, when duly signed by the local board of school directors of a school district, or by the local boards of school directors of a school district in the case of a regional charter school, and the charter school’s board of trustees, shall act as legal authorization for the establishment of a charter school. This written charter shall be legally binding on both the local board of school directors of a school district and the charter school’s board of trustees. [The] Except as otherwise provided in subsection (b), the charter shall be for a period of no less than three (3) nor more than five (5) years and may be renewed for five (5) year periods upon reauthorization by the local board of school directors of a school district or the appeal board. A charter will be granted only for a school organized as a public, nonprofit corporation.*

*(b) (1) Notwithstanding subsection (a), a governing board of a school district of the first class may renew a charter for a period of one (1) year if the board of school directors determines that there is insufficient data concerning the charter school's academic performance to adequately assess that performance and determines that an additional year of performance data would yield sufficient data to assist the governing board in its decision whether to renew the charter for a period of five (5) years.*

*(2) A one-year renewal pursuant to paragraph (1) shall not be considered an adjudication and may not be appealed to the State Charter School Appeal Board.*

*(3) A governing board of a school district of the first class does not have the authority to renew a charter for successive one (1) year periods.*

Section 12. Sections 1722-A and 1723-A of the act are amended by adding subsections to read:

Section 1722-A. Facilities.—\* \* \*

*(d) Notwithstanding any other provision of this act, a school district of the first class may, in its discretion, permit a charter school to operate its school at more than one location.*

Section 1723-A. Enrollment.—\* \* \*

*(d) (1) Enrollment of students in a charter school or cyber charter school shall not be subject to a cap or otherwise limited by any past or future action of a board of school directors, a board of control established under Article XVII-B, a special board of control established under section 692 or any other governing authority, unless agreed to by the charter school or cyber charter school as part of a written charter pursuant to section 1720-A.*

*(2) The provisions of this subsection shall apply to a charter school or cyber charter school regardless of whether the charter was approved prior to or is approved subsequent to the effective date of this subsection.*

Section 13. Section 1726-A(a) of the act, amended July 11, 2006 (P.L.1092, No.114), is amended to read:

Section 1726-A. Transportation.—(a) Students who attend a charter school located in their school district of residence, a regional charter school of which the school district is a part or a charter school located outside district boundaries at a distance not exceeding ten (10) miles by the nearest public highway shall be provided free transportation to the charter school by their school district of residence on such dates and periods that the charter school is in regular session whether or not transportation is provided on such dates and periods to students attending schools of the district. Transportation is not required for elementary students, including kindergarten students, residing within one and one-half (1.5) miles or for secondary students residing within two (2) miles of the nearest public highway from the charter school in which the students are enrolled unless the road or traffic conditions are such that walking constitutes a hazard to the safety of the students when so certified by the Department of Transportation, except that if the school

district provides transportation to the public schools of the school district for elementary students, including kindergarten students, residing within one and one-half (1.5) miles or for secondary students residing within two (2) miles of the nearest public highway under nonhazardous conditions, transportation shall also be provided to charter schools under the same conditions. Districts providing transportation to a charter school outside the district *and, for the 2007-2008 school year and each school year thereafter, districts providing transportation to a charter school within the district* shall be eligible for payments under section 2509.3 for each public school student transported.

\* \* \*

Section 14. Section 1729-A of the act is amended by adding a subsection to read:

Section 1729-A. Causes for Nonrenewal or Termination.—\* \* \*

*(a.1) When a charter school located in a school district of the first class is in corrective action status and seeks renewal of its charter, if the governing body of the school district of the first class renews the charter, it may place specific conditions in the charter that require the charter school to meet specific student performance targets within stated periods of time subject to the following:*

*(i) The performance targets and the periods of time in which the performance targets must be met shall be reasonable.*

*(ii) The placement of conditions in a charter as specified in this subsection shall not be considered an adjudication and may not be appealed to the State Charter School Appeal Board.*

*(iii) If the charter school fails to meet the performance targets within the stated period of time, such failure shall be sufficient cause for revocation of the charter.*

\* \* \*

Section 15. Section 1704-B(c) of the act, added July 11, 2006 (P.L.1092, No.114), is amended by adding a paragraph to read:

Section 1704-B. Board of School Directors.—\* \* \*

(c) \* \* \*

*(4.1) In addition to powers enumerated in this act, a school district designated as a Commonwealth partnership school district may dispose of unused and unnecessary lands and buildings, if such buildings are in excess of twenty-five (25) years of age in the following manner, notwithstanding the provisions of section 707 of this act:*

*(i) By negotiated sale, provided the district has an affidavit of at least three (3) persons who are familiar with the value of real estate in the locality in which the lands and buildings proposed to be sold are located, who have examined the property and set forth a value for the property and who opine that the consideration for the property is equal to or better than that which could be received by sealed bid. The sale price shall not be less than the highest value set forth in the three (3) affidavits.*

*(ii) By entering into agreements with an urban redevelopment authority organized under the act of May 24, 1945 (P.L.991, No.385), known as the Urban Redevelopment Law, under which the district may convey property to the authority for the purpose of the authority facilitating the conveyance of the property consistent with the goals of the school district and the authority.*

\* \* \*

Section 16. Section 1705-B(h) of the act, amended July 11, 2006 (P.L.1092, No.114) and July 20, 2007 (P.L.278, No.45), is amended to read:

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

(h) (1) A school district under a declaration of distress pursuant to section 691(a) and certified as an education empowerment district shall be operated by a special board of control established under section 692. A board of control established under this section shall be abolished upon the appointment of a special board of control under section 692.

(2) For a school district under a declaration of distress pursuant to section 691(a) and certified as an education empowerment district, the special board of control established under section 692 shall have the powers and duties of a special board of control under section 692 and the powers and duties contained in section 1706-B.

(3) For a school district with a history of low test performance that is certified as distressed for a minimum period of two (2) years under sections 691 and 692, the department shall waive the inclusion of the school district on the education empowerment list under section 1703-B(a) and immediately certify the school district as an education empowerment district.

(4) The department may utilize up to \$4,500,000 of undistributed funds not expended, encumbered or committed from appropriations for grants and subsidies made to the department to assist school districts certified as an education empowerment district under paragraph (3). There is hereby established a restricted account from which payments under this paragraph shall be paid. Funds shall be transferred by the Secretary of the Budget to the restricted account to the extent necessary to make payments under this paragraph. Funds in the restricted account are hereby appropriated to carry out the purposes of this paragraph. The subsidy payment from this account shall be utilized to supplement the operational budget of the eligible school districts. This paragraph shall apply to fiscal years 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007 [and], 2007-2008 and 2008-2009 and shall expire June 30, [2008] 2009.

Section 17. Section 1714-B of the act is amended by adding a subsection to read:

Section 1714-B. Mandate Waiver Program.—\* \* \*

*(g.1) (1) The Department of Education shall establish a task force to investigate the impact on taxpayers of mandate waivers granted for sections 751 and 751.1.*

*(2) The task force shall collect, examine and analyze data from completed school construction projects financed with State funds.*

*(3) The task force shall be made up of the following members:*

*(i) The chairman and minority chairman of the Education Committee of the Senate and the chairman and minority chairman of the Education Committee of the House of Representatives or a member of the respective committees designated by the chairman.*

*(ii) The chairman and minority chairman of the Labor and Industry Committee of the Senate and the chairman and minority chairman of the Labor Relations Committee of the House of Representatives or a member of the respective committees designated by the chairman.*

*(iii) The Secretary of Education or a designee, who shall serve as the chairman of the task force.*

*(iv) The Secretary of the Budget or a designee.*

*(v) The Secretary of Labor and Industry or a designee.*

*(4) The task force shall present its report, including any legislative recommendations, to the General Assembly and the Governor within six (6) months of the effective date of this section.*

\* \* \*

Section 18. Section 1913-A(b)(1.6) and (1.7) of the act, added July 13, 2005 (P.L.226, No.46), are amended to read:

Section 1913-A. Financial Program; Reimbursement of Payments.—\* \* \*

(b) \* \* \*

(1.6) For the 2006-2007 fiscal year and each fiscal year thereafter, the payment for a community college shall consist of the following:

(i) Each community college shall receive an amount equal to the reimbursement for operating costs, base supplement and growth supplement amounts it received in the immediately preceding fiscal year.

(ii) Each community college shall receive an economic development stipend as calculated under clause (1.7). The amount available for economic development stipends shall increase each year by the percent increase in the State appropriation for payment of approved operating expenses of community colleges *and may include any other private or public funds appropriated or otherwise made available to the Department of Education for that purpose.*

(iii) Each community college shall receive a base supplement determined by:

(A) subtracting the total amount of funds determined under subclauses (i) and (ii) from the State appropriation for payment of approved operating expenses of community colleges;

(B) dividing the payment under subclause (i) by the sum of the amounts determined for all community colleges under subclause (i); and

(C) multiplying the quotient from paragraph (B) by an amount equal to seventy-five percent (75%) of the amount determined under paragraph (A).

(iv) Each community college with an equivalent full-time enrollment in credit, noncredit and workforce development courses for the year prior to the immediately preceding year greater than its equivalent full-time enrollment in credit, noncredit and workforce development courses for the second year prior to the immediately preceding year shall receive a growth supplement amount determined by:

(A) subtracting its equivalent full-time enrollment in credit, noncredit and workforce development courses for the second year prior to the immediately preceding year from its equivalent full-time enrollment in credit, noncredit and workforce development courses for the year prior to the immediately preceding year;

(B) dividing the difference from paragraph (A) by the sum of the differences from paragraph (A) for all community colleges; and

(C) multiplying the amount from paragraph (B) by an amount equal to twenty-five percent (25%) of the amount determined under subclause (iii)(A). Secondary senior high school students enrolled in credit-bearing, nonremedial college courses shall be included in the calculation under paragraph (A). Calculations under this subclause shall be based upon the audited financial statements submitted by a community college pursuant to subsection (k.1).

(1.7) The payment for a community college shall include an economic development stipend which shall consist of the following:

(i) For the 2005-2006 fiscal year, each community college shall receive an amount equal to the reimbursement for the 2004-2005 fiscal year as determined under clause (1.4)(iii) and under section 1501 of the act of December 18, 2001 (P.L.949, No.114), known as the "Workforce Development Act." This amount shall be determined based upon the midyear rebudget submitted by a community college in February 2005.

(ii) For the 2006-2007 fiscal year and each fiscal year thereafter, each community college shall receive, subject to the provisions of subclause (iii), an amount determined by:

(A) Adding the following:

(I) the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs at the community college multiplied by 1.50;

(II) the number of full-time equivalent students enrolled in high-priority occupation programs at the community college multiplied by 1.25; and

(III) the number of full-time equivalent students enrolled in noncredit workforce development courses at the community college.

(B) Dividing the total from paragraph (A) by the sum of the totals from paragraph (A) for all community colleges.

(C) Multiplying the amount from paragraph (B) by the amount allocated for the economic development stipend pursuant to clause (1.6)(ii).

**[The number of full-time equivalent students shall be determined based upon the final midyear rebudget submitted by a community college for**



the prior fiscal year. Such rebudget shall be submitted, as required by the Department of Education, no later than May 31, 2006, and May 31 of each year thereafter.]

*(D) Applying the following:*

*(I) For the 2006-2007 fiscal year, for the first, second and third quarter payments made in the 2007-2008 fiscal year, and for the first and second quarter payments made in the 2008-2009 fiscal year and each fiscal year thereafter, the number of full-time equivalent students shall be determined based upon the final midyear rebudget submitted by a community college for the prior fiscal year. Such rebudget shall be submitted, as required by the Department of Education, no later than May 31, 2006, and May 31 of each year thereafter.*

*(II) For the 2007-2008 fiscal year, the Department of Education shall provide the fourth quarter payment to each community college under this subclause based upon the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs, high-priority occupation programs and noncredit workforce development courses for the 2006-2007 fiscal year, as verified in the audited financial statement required under subsection (k.1).*

*(III) For the 2008-2009 fiscal year and each fiscal year thereafter, the Department of Education shall provide the third and fourth quarter payments to each community college under this subclause based upon the number of full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs, high-priority occupation programs and noncredit workforce development courses for the immediately preceding fiscal year, as verified in the audited financial statement required under subsection (k.1).*

(iii) For the 2006-2007 and 2007-2008 fiscal years, the following shall apply:

(A) Full-time equivalent students enrolled in stipend advanced technology programs shall be counted as full-time equivalent students enrolled in high-priority and high-instructional-cost occupation programs for the purpose of the calculation in subclause (ii).

(B) Full-time equivalent students enrolled in stipend Statewide programs shall be counted as full-time equivalent students enrolled in high-priority occupation programs for the purpose of the calculation in subclause (ii).

(C) Full-time equivalent students enrolled in other stipend occupational programs and workforce development courses shall be counted as full-time equivalent students enrolled in noncredit workforce development courses for the purpose of the calculation in subclause (ii).

(D) For reimbursement for any semester that begins on or after January 1, 2006, this subclause shall only apply for students who were enrolled in such programs during the fall 2005 semester.

\*\*\*

Section 19. The definition of "applicant" in section 1901-C(2) of the act, added June 25, 1997 (P.L.297, No.30), is amended to read:

Section 1901-C. Definitions.—For purposes of this article, the following terms shall have the following meanings:

\* \* \*

(2) "Applicant." A school district [or], a combination of school districts [which] or a charter school that provides an alternative education program within or to a chartering school district or school districts as the central mission of its charter and that applies for funds under this article.

\* \* \*

Section 20. Section 1902-C of the act is amended by adding a clause to read:

Section 1902-C. Applications.—Applicants shall submit applications at the time, in the manner and containing or accompanied by such information as the department may prescribe but, in any case, shall document the following:

\* \* \*

(9) *Where the applicant is a charter school that provides an alternative education program within or to a chartering school district or school districts as the central mission of its charter, written support for the application from the chartering school district.*

Section 21. Section 2017-A of the act, amended July 1, 1985 (P.L.103, No.31), is amended to read:

Section 2017-A. Annual Report.—(a) An annual report shall be submitted *in electronic format* by each institution to the [Governor and the Appropriations and Education Committees of the Senate and House of Representatives] *Department of Education and the Joint State Government Commission*, which shall include data for all programs of the institution. Each such report, to be submitted prior to September 1, shall cover the 12-month period beginning with the summer term of the preceding year and shall include:

(1) The following counts and distributions for each term during the period:

(i) The definitions and numbers of faculty members employed full time, of faculty members employed part time, of full-time students enrolled in graduate courses, of full-time students enrolled in undergraduate courses, of part-time students enrolled in graduate courses, and of part-time students enrolled in undergraduate courses.

(ii) The total numbers of undergraduate student credit hours, divided into lower division and upper division course levels, and of graduate student credit hours divided into three course levels—master's, first professional and doctoral.

(iii) The number of different courses scheduled by level of instruction and the number of sections of individual instruction scheduled by level of instruction, each further subdivided by two digit Classification of

Instructional Program (CIP) categories of instructional programs of higher education as defined by the National Center for Education Statistics, United States Department of Education.

(iv) The number of terms scheduled and the dates thereof.

(2) For the summer term and the following academic year in total and for each two digit CIP program category, a classification of faculty members or other professional employes by title, including: professor, associate professor, assistant professor, instructor, lecturer, research associate, librarian and academic administrator; faculty members or other professional employes under each title to be subdivided by type of assignment: teaching and nonteaching, and each such set of faculty members or other professional employes to be further subdivided by type of employment: full time or part time; and the following aggregates for each subdivided classification:

(i) The number of faculty and other professional employes and their full-time equivalence in instructional and noninstructional functions.

(ii) The sum of credits assigned to undergraduate classroom courses and the sum of credits assigned to graduate classroom courses taught, divided into lower division, upper division, master's, first professional and doctoral course levels.

(iii) The sum of credits assigned to undergraduate individual instruction courses and the sum of credits assigned to graduate individual instruction courses taught, divided into lower division, upper division, master's, first professional and doctoral course levels.

(iv) The sum of undergraduate classroom student credit hours and the sum of graduate classroom student credit hours generated, divided into lower division, upper division, master's, first professional and doctoral course levels.

(v) The sum of undergraduate individual instruction student credit hours and the sum of graduate individual instruction student credit hours generated, divided into lower division, upper division, master's, first professional and doctoral course levels.

(vi) The total salary paid for instructional functions and for noninstructional functions and the amount of this salary paid for each of these functions from university funds, Federal funds and other funds.

(3) For each term of the period covered for each faculty member employed full time identified by two digit CIP program category and title, the report shall contain an analysis of the average hours per week spent in university-related activities, stating specifically hours spent in undergraduate classroom contact and graduate classroom contact, hours spent in preparation, hours spent in research and hours spent in public service.

(b) In addition to the requirements of subsection (a), each report covering the 12-month period shall include for all programs of the institution:

(1) Minimum number of credits required for a baccalaureate degree and for a master's degree.

(2) Number of bachelor's degrees, master's degrees, first professional degrees and doctoral degrees awarded in the three previous years and those estimated for that year.

(c) *The Joint State Government Commission shall develop a statistical comparison analysis recognizing differences in missions from the reports made under this section. The comparison shall be provided to the Education Committee of the Senate and the Appropriations Committee of the Senate and the Education Committee of the House of Representatives and the Appropriations Committee of the House of Representatives and the four State regional libraries. The comparative analysis shall be posted on the Joint State Government Commission's Internet website for a period of no less than five (5) years from the date of submission.*

(d) *Each report submitted under subsection (a) shall be posted by the Department of Education on its Internet website for a period of no less than five (5) years from the date of submission.*

Section 22. The definition of "business firm" in section 2002-B of the act, amended July 11, 2006 (P.L.1092, No.114), is amended and the section is amended by adding a definition to read:

Section 2002-B. Definitions.

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

"Business firm." An entity authorized to do business in this Commonwealth and subject to taxes imposed under Article *III*, IV, VI, VII, [VII-A,] VIII, [VIII-A,] IX or XV of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971. *This term includes a pass-through entity.*

\*\*\*

*"Pass-through entity." A partnership as defined in section 301(n.0) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, or a Pennsylvania S corporation as defined in section 301(n.1) of the Tax Reform Code of 1971.*

\*\*\*

Section 23. Section 2005-B of the act, amended December 23, 2003 (P.L.304, No.48) and July 4, 2004 (P.L.536, No.70), is amended to read:

Section 2005-B. Tax credit.

(a) Scholarship or educational improvement organizations.—In accordance with section 2006-B(a), the Department of Revenue shall grant a tax credit against any tax due under Article *III*, IV, VI, VII, [VII-A,] VIII, [VIII-A,] IX or XV of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, to a business firm providing proof of a contribution to a scholarship organization or educational improvement organization in the taxable year in which the contribution is made which shall not exceed 75% of the total amount contributed during the taxable year by the business firm. Such credit shall not exceed [\$200,000] \$300,000 annually

per business firm for contributions made to scholarship organizations or educational improvement organizations.

(b) **Additional amount.**—The Department of Revenue shall grant a tax credit of up to 90% of the total amount contributed during the taxable year if the business firm provides a written commitment to provide the scholarship organization or educational improvement organization with the same amount of contribution for two consecutive tax years. The business firm must provide the written commitment under this subsection to the department at the time of application.

(c) **Pre-kindergarten scholarship organizations.**—In accordance with section 2006-B(a), the Department of Revenue shall grant a tax credit against any tax due under Article *III*, IV, VI, VII, [VII-A,] VIII, [VIII-A,] IX or XV of the "Tax Reform Code of 1971" to a business firm providing proof of a contribution to a pre-kindergarten scholarship organization in the taxable year in which the contribution is made which shall be equal to 100% of the first \$10,000 contributed during the taxable year by the business firm, and which shall not exceed 90% of the remaining amount contributed during the taxable year by the business firm. Such credit shall not exceed **[\$100,000] \$150,000** annually per business firm for contributions made to pre-kindergarten scholarship organizations.

(d) **Combination of tax credits.**—A business firm may receive tax credits from the Department of Revenue in any tax year for any combination of contributions under subsection (a) or (b) or (c). In no case may a business firm receive tax credits in any tax year in excess of **[\$200,000] \$300,000** for contributions under subsections (a) and (b). In no case shall a business firm receive tax credits in any tax year in excess of **[\$100,000] \$150,000** for contributions under subsection (c).

(e) **Pass-through entity.**—

(1) *If a pass-through entity does not use all approved tax credits under section 2005-B, it may elect in writing, according to procedures established by the Department of Revenue, to transfer all or a portion of the credit to shareholders, members or partners in proportion to the share of the entity's distributive income to which the shareholder, member or partner is entitled.*

(2) *A pass-through entity and a shareholder, member or partner of a pass-through entity shall not claim the credit under this section for the same contribution.*

(3) *A shareholder, member or partner of a pass-through entity to whom a credit is transferred under this section shall immediately claim the credit in the taxable year in which the transfer is made. The shareholder, member or partner may not carry forward, carry back, obtain a refund of or sell or assign the credit.*

(f) **Restriction on applicability of credits.**—*No credits granted under this section shall be applied against any tax withheld by an employer from an employee under Article III of the Tax Reform Code of 1971.*

**(g) Time of application for credits.—**

**(1) Except as provided in paragraphs (2) and (3), the department may accept applications for tax credits available during a fiscal year no earlier than July 1 of each fiscal year.**

**(2) The application of any business firm for tax credits available during a fiscal year as part of the second year of a two-year commitment may be accepted no earlier than May 15 preceding the fiscal year.**

**(3) The application under subsection (a) of any pass-through entity for approval of single-year tax credits available during a fiscal year against the taxes imposed under Article III of the Tax Reform Code or under subsection (b) for approval of credits against such taxes for the first year of a two-year commitment may be accepted by the department no earlier than the first business day following July 7 of the fiscal year.**

Section 24. Section 2006-B(c) of the act, amended December 23, 2003 (P.L.304, No.48), is amended to read:

Section 2006-B. Limitations.

\* \* \*

**(c) Tax liability.—[A]**

**(1) Except as provided in paragraph (2), a tax credit granted for any one taxable year may not exceed the tax liability of a business firm.**

**(2) In the case of a credit granted to a pass-through entity which elects to transfer the credit according to section 2005-B(e), a tax credit granted for any one taxable year and transferred to a shareholder, member or partner may not exceed the tax liability of the shareholder, member or partner.**

\* \* \*

Section 25. The act is amended by adding an article to read:

**ARTICLE XX-D****STATE-RELATED UNIVERSITY REPORTING****Section 2001-D. Definitions.**

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

**“Academic and administrative support units.” Any organizational entity, as defined in the organizational manual of the university, that reports directly to the president of the university, chief academic officer or vice president, including the office of the president, chief academic officer and vice president.**

**“Department.” The Department of Education of the Commonwealth.**

**“Expenditures.” Disbursements or payments of State appropriations, tuition and fees supporting operational, educational or other general categories of expenses as defined in: the generally accepted accounting principles as prescribed by the National Association of College and**

*University Business Officers, the American Institute of Certified Public Accountants, or by their successors, or by any other recognized authoritative body; the "Commonwealth of Pennsylvania Budget Instructions for the State System of Higher Education, State-Related Universities and Non-State-Related Colleges and Universities"; and the financial reporting policies and standards promulgated by the Commonwealth of Pennsylvania and by the Federal Government that apply to The Pennsylvania State University.*

*"Revenue." All State appropriations, tuition and fees.*

*"State-related institution." The Pennsylvania State University, the University of Pittsburgh, Temple University, Lincoln University and their branch campuses.*

*Section 2002-D. Reporting guidelines.*

*In any year a State-related institution receives a nonpreferred appropriation, a report shall be submitted in electronic format to the department and the Joint State Government Commission and shall include data for all programs. The report, to be submitted prior to September 1, shall cover the 12-month period beginning with the summer term of the preceding year and shall include:*

*(1) The following counts and distributions for each term during the period:*

*(i) The definitions and numbers of faculty members employed full time, of faculty members employed part time, of full-time students enrolled in graduate courses, of full-time students enrolled in undergraduate courses, of part-time students enrolled in graduate courses and of part-time students enrolled in undergraduate courses.*

*(ii) The total numbers of undergraduate student credit hours, divided into lower division and upper division course levels, and of graduate student credit hours, divided into three course levels: master's, first professional and doctoral.*

*(iii) The number of different courses scheduled by level of instruction and the number of sections of individual instruction scheduled by level of instruction, each further subdivided by two-digit Classification of Instructional Program (CIP) categories of instructional programs of higher education as defined by the National Center for Education Statistics, United States Department of Education.*

*(iv) The number of terms scheduled and the dates thereof.*

*(2) For the summer term and the following academic year in total and for each two-digit CIP program category, a classification of faculty members or other professional employees by title, including: professor, associate professor, assistant professor, instructor, lecturer, research associate, librarian and academic administrator; faculty members or other professional employees under each title to be subdivided by type of assignment: teaching and nonteaching; and each such set of faculty*

*members or other professional employees to be further subdivided by type of employment: full-time or part-time; and the following aggregates for each such subdivided classification:*

*(i) The number of faculty and other professional employees and their full-time equivalence in instructional and noninstructional functions.*

*(ii) The sum of credits assigned to undergraduate classroom courses and the sum of credits assigned to graduate classroom courses taught, divided into lower division, upper division, master's, first professional and doctoral course levels.*

*(iii) The sum of credits assigned to undergraduate individual instruction courses and the sum of credits assigned to graduate individual instruction courses taught, divided into lower division, upper division, master's, first professional and doctoral course levels.*

*(iv) The sum of undergraduate classroom student credit hours and the sum of graduate classroom student credit hours generated, divided into lower division, upper division, master's, first professional and doctoral course levels.*

*(v) The sum of undergraduate individual instruction student credit hours and the sum of graduate individual instruction student credit hours generated, divided into lower division, upper division, master's, first professional and doctoral course levels.*

*(vi) The total salary paid for instructional functions and for noninstructional functions and the amount of this salary paid for each of these functions from university funds, Federal funds and other funds.*

*(3) For each term of the period covered for each faculty member employed full time identified by two-digit CIP program category and title, the report shall contain an analysis of the average hours per week spent in university-related activities, stating specifically hours spent in undergraduate classroom contact and graduate classroom contact, hours spent in preparation, hours spent in research and hours spent in public service.*

**Section 2003-D. Additional report requirements.**

*In addition to the requirements in section 2002-D relative to any appropriation, the report covering the 12-month period shall include for all programs of the university:*

*(1) Minimum number of credits required for a baccalaureate degree and for a master's degree.*

*(2) Number of bachelor's degrees, master's degrees, first professional degrees and doctoral degrees awarded for the previous five years and those estimates for that year.*

**Section 2004-D. Disclosure.**

*(a) Expenditures.—The university shall disclose the following:*



*(1) Revenue and expenditure budgets of the university's academic and administrative support units for the current fiscal year.*

*(2) The actual revenue and expenditures for the prior year in the same format as the information reported under paragraph (1).*

*(3) For any defined project or program which is the subject of a specific line item appropriation from the General Fund, the university shall disclose the following:*

*(i) Revenue and expenditure budgets of the defined program or project for the current fiscal year.*

*(ii) The actual revenue and expenditures of the defined program or project for the prior year in the same format as the information reported under paragraph (1).*

*(4) The revenue and expenditures of any auxiliary enterprise which is directly funded in whole or in part by tuition or a State appropriation for the current fiscal year.*

*(b) Prior fiscal year.—The university shall provide the following additional information for the prior fiscal year for each academic or administrative support unit, for each defined project or program and for any auxiliary enterprise:*

*(1) The number of employees by academic rank and by classification the number of administrators, staff, clerical and technical service employees.*

*(2) Median and mean salary by academic rank and by classification the median and mean salaries of administrators, staff, clerical and technical service employees.*

*(3) Nonsalary compensation as a percentage of salary. Nonsalary compensation shall include, but not be limited to, medical benefits, life insurance benefits, pension benefits, leave benefits, employer Social Security payments and workers' compensation benefits.*

*(4) A statement of the university's retirement policies.*

*(5) A policy statement relating to a reduction of tuition for employees' family members.*

*(6) A list of purchase of service contracts which exceed \$1,000 by category of service, including, but not limited to, legal, instructional, management, accounting, architecture, public relations and maintenance. The list shall contain the name and address of the contractor, a statement of the nature of the duties of the contractor and the academic and administrative support unit for which the duties are performed. If a purchase of service contract exceeds 10% of the total aggregate expenditure of the contract category per academic or administrative support unit, then the contracted amount shall also be listed.*

*(7) A list of purchase of goods contracts which exceed \$1,000. The list shall contain the name and address of the contractor and a list of the goods purchased and the academic or administrative support unit*

*for which such goods were contracted. If a purchase of goods contract exceeds 10% of the total aggregate expenditure per academic or administrative support unit, then the contracted amount shall also be listed.*

*(8) A list by academic or administrative support unit in the aggregate of the expenses of travel, subsistence and lodging, whether provided or reimbursed.*

*(c) Format.—The university shall submit in electronic format a report of the information under subsections (a) and (b) to the department and the Joint State Government Commission. Each such institution shall maintain a copy of the report in the institution's library and shall submit a copy to each of the four State regional library resource centers.*

*(d) Time frame.—A university's report required to be submitted under this section shall be submitted within 180 days of the close of the university's current fiscal year.*

*(e) Minutes.—The university shall make a copy of the minutes of each public meeting of the institution's board of trustees, as well as a copy of the institution's integrated postsecondary education data systems report, available for public inspection in the institution's library.*

*Section 2005-D. Comparative analysis and posting by commission.*

*The Joint State Government Commission shall develop a statistical comparison analysis recognizing differences in missions from the reports made under this article. A majority of the members of the commission may request additional documentation, except for salary or identity of individuals, necessary to complete the comparative analysis. The comparison shall be provided to the Education Committee of the Senate and the Appropriations Committee of the Senate and the Education Committee of the House of Representatives and the Appropriations Committee of the House of Representatives and the four State regional libraries. The comparative analysis shall be posted on the Joint State Government Commission's Internet website for a period of no less than five years from the date of submission.*

*Section 2006-D. Posting of reports by department.*

*The reports required under this article shall be posted on the department's Internet website for a period of no less than five years from the date of submission.*

Section 26. Section 2103 of the act is amended to read:

Section 2103. Board of Public Education; Additional Duties.—The duties of the board of public education in districts of the first class, in addition to the duties prescribed in this act, shall be—

- (1) To define the general policies of the school system,
- (2) To legislate upon all matters pertaining thereto,
- (3) To determine and direct all expenditures for the maintenance and improvement of the school system,
- (4) To appoint the officers herein prescribed and define their duties,

- (5) To appoint teachers,
- (6) To grant and award scholarships on a merit basis,
- (7) In general to legislate upon all matters concerning the conduct of the schools subject to the provisions of this act.

**(8) *Provided that, notwithstanding the provisions of section 1326, the governing authority of the school district may establish the compulsory school age at no earlier than age six. The provisions of section 1326 shall continue to apply to any student enrolled in a program under section 1327.1 or to any student whose parent or guardian files a notice with the superintendent of the school district of the intention to enroll the student in a program under section 1327.1.***

Section 27. The act is amended by adding a section to read:  
***Section 2317. State aid for fiscal year 2008-2009.***

**(a) *General Rule.—Each library subject to the act of June 14, 1961 (P.L.324, No.188), known as “The Library Code,” that received a State aid allocation for fiscal year 2007-2008 under section 2316 and which complies with the standards contained in The Library Code and regulations promulgated under The Library Code relating to hours of operation, continuing professional development, collections expenditures and any other standards related to library operations as required under section 104 of The Library Code shall be eligible for State aid in fiscal year 2008-2009.***

**(b) *Formula.—State aid under this section shall consist of the following:***

**(1) *Divide the sum of the amount of funding that the library received in fiscal year 2007-2008 under section 2316 by the total State aid subsidy for fiscal year 2007-2008 and multiply the quotient by the total State aid subsidy for 2008-2009.***

**(2) *After distribution of State aid to libraries under this section, any remaining unallocated funds may be distributed at the discretion of the State Librarian.***

Section 28. The definition of “average daily membership” in section 2501 of the act, amended February 1, 1966 (1965 P.L.1642, No.580), is amended and the section is amended by adding definitions to read:

Section 2501. Definitions.—For the purposes of this article the following terms shall have the following meanings:

\* \* \*

**(3) “Average Daily Membership” shall be computed in accordance with rules of procedure as established by the [Superintendent of Public Instruction.] Secretary of Education. For the purpose of calculating the basic education funding allocation under section 2502.48, the computation shall be adjusted for each level of instruction as follows:**

**(i) *Half-time prekindergarten and half-time kindergarten: .50;***

**(ii) *full-time prekindergarten, full-time kindergarten, elementary and secondary: 1.00.***

*A child on whose behalf payment is made under section 1514-D shall not be included in this calculation.*

**\* \* \***

(26) *“Actual Spending.” An amount equal to a school district’s total expenditures to include General Fund expenditures in all functional classifications, as designated in the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems, except for:*

- (i) special education;*
- (ii) adult education;*
- (iii) higher education;*
- (iv) student transportation;*
- (v) community services;*
- (vi) scholarships and awards;*
- (vii) facilities acquisition;*
- (viii) construction and improvement services;*
- (ix) other expenditures and financing uses; and*
- (x) tuition from patrons revenue.*

(27) *“Funding Year.” The most recent school year for which all school districts were required by the department to submit an annual financial report prior to the date an executive budget was proposed.*

(28) *“Index.” As established by the department in each calendar year for the subsequent fiscal year, the average of:*

*(i) That amount determined by the Department of Labor and Industry in the same manner that it determines the average weekly wage under section 404(e)(2) of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the “Unemployment Compensation Law,” except that it shall be calculated for the preceding calendar year.*

*(ii) The most recent official figures reported by the United States Department of Labor, Bureau of Labor Statistics for the previous twelve-month period beginning July 1 and ending June 30 for the Employment Cost Index Series for Elementary and Secondary Schools.*

(29) *“Location Cost Metric.” An index of geographic cost differences for each county as published by the department on its publicly accessible Internet website on February 5, 2008. The index shall be published in the Pennsylvania Bulletin no later than thirty (30) days after the effective date of this clause.*

(30) *“Modified Average Daily Membership” or “Modified ADM.” The sum of the following products:*

*(i) fifty-two one-hundredths (.52) and the school district’s average daily membership in the funding year;*

*(ii) twenty-six one-hundredths (.26) and the school district’s average daily membership in the school year prior to the funding year;*

*(iii) thirteen one-hundredths (.13) and the school district’s average daily membership two (2) school years prior to the funding year;*

- (iv) six one-hundredths (0.06) and the school district's average daily membership three (3) school years prior to the funding year; and*
- (v) three one-hundredths (.03) and the school district's average daily membership four (4) years prior to the funding year.*

Section 29. Section 2502.46 of the act is amended by adding a paragraph to read:

Section 2502.46. Funding for Partnership Schools.—The following shall apply:

\* \* \*

*(5) (i) No later than September 1, 2008, and each September 1 thereafter, a school district of the first class shall file a report with the Department of Education containing the following information with regard to programs funded under this section for the immediately preceding school year:*

*(A) The name of each school whose operation was governed by an agreement pursuant to paragraph (1), the grade levels served and the number of children attending each school and the name of the person or persons with whom the district has made an agreement for that school's operations.*

*(B) The total dollar amount of costs specified in the agreement existing between the school district and each partner to be paid to the partner and the terms and conditions specified in each agreement.*

*(C) The total dollar amount of costs actually paid by the school district to each partner for the operation of its partnership school or schools.*

*(D) If a difference exists between the dollar amounts reported in clause (C) and those reported in clause (B), an explanation for the difference.*

*(E) If a difference exists between the dollar amounts reported in clause (C) and the dollar amount required to be expended by the district pursuant to paragraph (1), an accounting of where the unexpended dollars were utilized.*

*(ii) Included in the report due no later than September 1, 2008, shall be the information required pursuant to subparagraph (i)(A) and (B) as provided for in the final budget adopted by a school district of the first class for the 2008-2009 school year.*

*(iii) A school district of the first class may submit an updated plan for the operations of schools governed by agreements pursuant to this section anticipated for the 2009-2010 school year at any time during the 2008-2009 school year.*

*(iv) No later than thirty (30) days after receipt of this report a copy shall be furnished to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives.*

Section 30. The act is amended by adding sections to read:

**Section 2502.48. Basic Education Funding for Student Achievement.**—(a) *The Department of Education shall calculate a base cost per student. For the 2007-2008 school year, the base cost per student shall be eight thousand three dollars (\$8,003), increased by the 2008-2009 index.*

(b) *The Department of Education shall determine an adequacy target for each school district by calculating the sum of the following:*

(1) *A base cost determined by calculating the product of the base cost per student and the school district's modified ADM.*

(2) *A poverty supplement determined by calculating the product of:*

(i) *the base cost per student;*

(ii) *the number of students enrolled in the school district on October 31 of the funding year who were eligible for free or reduced price meals under the school lunch program; and*

(iii) *forty-three one-hundredths (.43).*

(3) *A district size supplement determined by calculating the maximum of zero and the product of:*

(i) *the base cost per student;*

(ii) *the school district's funding year average daily membership; and*

(iii) *the sum of four hundred eighty-three one-thousandths (.483) and the product of the natural logarithm of the school district's funding year average daily membership and negative five one-hundredths (-.05);*

(4) *An English language learner supplement determined by calculating the product of:*

(i) *the base cost per student;*

(ii) *the number of enrolled students identified as limited English proficient in the funding year in the school district; and*

(iii) *the sum of three and seven hundred fifty-three one-thousandths (3.753) and the product of the natural logarithm of the school district's funding year average daily membership and negative twenty-three one-hundredths (-.23), provided that such amount shall be no less than one and forty-eight one-hundredths (1.48) and no greater than two and forty-three one-hundredths (2.43).*

(5) *An adjustment for geographic price differences calculated as follows:*

(i) *Add the amounts under paragraphs (1), (2), (3) and (4).*

(ii) *Multiply:*

(A) *the sum under subparagraph (i); by*

(B) *the school district's location cost metric.*

(iii) *Subtract:*

(A) *the sum under subparagraph (i); from*

(B) *the product under subparagraph (ii).*

(c) (1) *The Department of Education shall determine a State funding target for each school district by calculating the product of:*

(i) *the difference between the school district's adequacy target determined under subsection (b) and its actual spending for the funding year, or zero, whichever is greater;*

(ii) *the school district's market value/income aid ratio for the school year in which funding occurs; and*

(iii) *the lesser of one (1) and the school district's funding year equalized millage divided by the equalized millage that represents the seventy-fifth percentile of the equalized millage of all school districts in the funding year.*

(2) *In furtherance of the General Assembly's long-standing commitment to providing adequate funding that will ensure equitable State and local investments in public education and in order to enable students to attain applicable Federal and State academic standards, it is the goal of this Commonwealth to review and meet State funding targets by fiscal year 2013-2014.*

(d) *The Commonwealth shall pay to each school district a basic education funding allocation for the 2007-2008 school year which shall consist of the following:*

(1) *An amount equal to the basic education funding allocation for the 2006-2007 school year under sections 2502.13(m), 2502.47 and 2504.4(a.3).*

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

(3) (i) *For a school district with 2006-2007 equalized millage that is greater than or equal to 24.7, which represents the eightieth percentile of the equalized millage of all school districts as of the effective date of this section, for the 2007-2008 school year, sixteen and seventy-five one hundredths percent (16.75%) of the State funding target determined under subsection (c).*

(ii) *For a school district with 2006-2007 equalized millage that is less than 24.7, which represents the eightieth percentile of the equalized millage of all school districts as of the effective date of this section, for the 2007-2008 school year, ten percent (10%) of the State funding target determined under subsection (c).*

(e) *The Department of Education shall provide additional funding for the 2007-2008 school year to any school district where the amount determined under subsection (d)(3) provides an amount less than three percent (3%) of the amount determined under subsection (d)(1). The amount of additional funding shall be the amount required so that the sum of subsection (d)(3) and this subsection equals three percent (3%) of the amount provided under subsection (d)(1).*

*Section 2502.49. Accountability to Commonwealth Taxpayers.—(a) In any school district where the amount of basic education funding allocated pursuant to section 2502.48 exceeds the amount of basic education*

*funding allocated to the school district in the prior fiscal year by more than the index, the board of school directors shall use one hundred percent (100%) of the portion of the increase that exceeds the index as follows:*

*(1) At least eighty percent (80%) of such funds shall be used to offer any of the following for the first time or to expand any of the following:*

*(i) Programs that increase the amount of student instructional time, which may include tutoring, an extension of the school day or school calendar or intensive support for students who have limited English proficiency.*

*(ii) Implementation of new curricula or course offerings that increase the number of students who graduate from high school prepared for college and high-skill careers.*

*(iii) Training of professional employes in the delivery of a curriculum that increases the number of students who graduate from high school prepared for college and high-skill careers, in strategies for addressing the learning needs of students at risk of academic failure or needing remediation or in strategies to ensure that students stay in school until graduation and successfully transition to postsecondary education or the work force.*

*(iv) Reduction of class size.*

*(v) Prekindergarten or full-day kindergarten.*

*(vi) Incentives for the most effective highly qualified teachers and principals to work in a school identified for improvement or corrective action.*

*(vii) School library services, which may include the employment of school librarians or additional school library staff or the purchase of printed or electronic materials or other resources for the school library collection.*

*(2) No more than ten percent (10%) of such funds may be used to maintain existing programs that meet the criteria of paragraph (1) or for one-time costs necessary to the delivery of instruction that shall include books, materials or other supplies.*

*(3) No more than ten percent (10%) of such funds may be used for other programs or activities that are essential to achieving or maintaining academic performance targets and that are based on sound research or for one-time costs necessary to the delivery of instruction that shall include books, materials or other supplies.*

*(b) The following shall apply:*

*(1) A school district subject to this section shall submit a plan to the Department of Education no later than August 1, 2008, and no later than April 15 of each year thereafter, detailing its intended use of funds subject to this section in the subsequent fiscal year. If a general appropriation bill that includes basic education funding for the applicable fiscal year has not been enacted prior to the deadline, a school district shall base its plan on*



*the amount of basic education funding proposed in an executive budget and posted on the department's Internet website.*

*(2) The department shall review all plans and may provide recommendations to school districts within forty-five (45) days of receipt of the plan.*

*(3) Within ninety (90) days of receipt of a plan submitted by a school district identified for warning, improvement or corrective action or a school district with one or more schools identified for improvement or corrective action, the department shall approve or disapprove the plan. The department shall provide a written explanation to the board of school directors of any school district whose plan is disapproved.*

*(4) A school district whose plan has been disapproved shall amend and resubmit its plan as necessary until approved by the department.*

*(c) The department shall approve any school district achievement plan that:*

*(1) meets the requirements of this section;*

*(2) addresses the academic challenges identified in the school district's most recent student achievement results, with specific focus on individual schools, grade levels and populations of students that demonstrate inadequate levels of student achievement; and*

*(3) in the determination of the department, describes programs and strategies that are most likely to improve student achievement in the school district.*

*(d) For any school district where approval of a plan is required pursuant to subsection (b), and notwithstanding any other provision of law to the contrary, the department shall withhold the portion of the increase in basic education funding which exceeds the index until such a time as a plan is approved.*

*(e) The Department of Education shall:*

*(1) Provide technical assistance to any school district upon request for the development of a plan pursuant to this section.*

*(2) Determine the form and manner in which school districts shall submit a plan pursuant to this section.*

*(3) Review all plans submitted to the department and approve or disapprove plans as required pursuant to this section.*

*(f) Nothing in this section shall supersede or preempt any provisions of a collective bargaining agreement between a school entity and an employe organization in effect on the effective date of this section.*

Section 31. Sections 2509.1 and 2509.5 of the act are amended by adding subsections to read:

Section 2509.1. Payments to Intermediate Units.—\* \* \*

*(b.16) Up to eleven million five hundred thousand dollars (\$11,500,000) may be utilized for programs administered and operated by intermediate units during the 2008-2009 school year for institutionalized children as established in subsection (b.1).*

\* \* \*

Section 2509.5. Special Education Payments to School Districts.—\* \* \*

(zz) (1) *During the 2008-2009 school year, each school district shall be paid the amount it received during the 2007-2008 school year under subsections (vv), (ww), (xx) and (yy).*

(2) *During the 2008-2009 school year, twenty-seven million eight hundred four thousand fourteen dollars (\$27,804,014) of the funds appropriated to the Department of Education for special education shall be used to provide supplemental funding for special education to all school districts. Each school district shall receive a funding supplement calculated as follows:*

(i) *multiply each school district's 2008-2009 market value/income aid ratio by sixteen percent (16%) of its 2007-2008 average daily membership;*

(ii) *multiply the product from subparagraph (i) by twenty-six million seven hundred thousand six dollars (\$26,700,006); and*

(iii) *divide the resultant product from subparagraph (ii) by the sum of the products of the 2008-2009 market value/income aid ratio multiplied by sixteen percent (16%) of the 2007-2008 average daily membership for all school districts.*

(3) *Each school district shall receive an inflation index supplement as necessary so that the amounts under paragraph (2) and this paragraph equal four and four tenths percent (4.4%) multiplied by each school district's 2008-2009 market value/income aid ratio of the amount in paragraph (1).*

(4) *Each school district for which the sum of the supplements under paragraphs (2) and (3) provides an amount less than two percent (2%) of the amount provided under paragraph (1) shall receive additional funding as necessary so that the sum of the amounts provided under paragraphs (2) and (3) and this paragraph equals two percent (2%) of the amount provided under paragraph (1).*

(5) *For the 2008-2009 fiscal year, if insufficient funds are appropriated to make Commonwealth payments pursuant to paragraphs (2), (3) and (4), such payments shall be made on a pro rata basis. The amounts pro rated shall be the sum of the payments made under paragraphs (2), (3) and (4).*

Section 32. Section 2591.1 of the act, amended December 23, 2003 (P.L.304, No.48) and July 20, 2007 (P.L.278, No.45), is amended to read:

Section 2591.1. Commonwealth Reimbursements for Charter Schools and Cyber Charter Schools.—(a) For the 2001-2002 school year, the Commonwealth shall pay to each school district with resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined pursuant to Article XVII-A an amount equal to thirty percent (30%) of the total funding required under section 1725-A(a). If insufficient funds are appropriated to make

Commonwealth reimbursements under this section, the reimbursements shall be made on a pro rata basis.

(b) For the 2002-2003 school year, the Commonwealth shall pay to each school district that received funding under subsection (a) for the 2001-2002 school year and that had resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined under Article XVII-A during the 2002-2003 school year an amount equal to the lesser of:

(1) the payment received for the 2001-2002 school year pursuant to subsection (a); or

(2) thirty percent (30%) of the total funding required under section 1725-A(a).

(c) For the 2002-2003 school year, the Commonwealth shall pay to each school district that did not receive funding under subsection (a) for the 2001-2002 school year and that had resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined under Article XVII-A during the 2002-2003 school year an amount equal to thirty percent (30%) of the total funding required under section 1725-A(a).

(c.1) (1) For the 2003-2004 school year and each school year thereafter, except **[for the 2006-2007 school year]** as provided under paragraph (2) *or* (3), the Commonwealth shall pay to each school district with resident students enrolled during the immediately preceding school year in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined under Article XVII-A, an amount equal to thirty percent (30%) of the total funding required under section 1725-A(a).

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

(i) average daily membership of resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined under Article XVII-A equal to or greater than twelve percent (12%) of the school district's 2006-2007 average daily membership;

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

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

**(3) For the 2007-2008 school year and each school year thereafter, the payment required under this subsection shall be equal to forty-one and**

*ninety-six hundredths per centum (41.96%) of the amount required under section 1725-A(a), where the school district has:*

*(i) 2007-2008 average daily membership of resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined under Article XVII-A equal to or greater than twelve per centum (12%) of the school district's 2007-2008 average daily membership;*

*(ii) a 2008-2009 market value/income aid ratio of equal to or greater than six thousand ten thousandths (.6000); and*

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

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

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

Section 33. Section 2599.2(b) and (f) of the act, added December 23, 2003 (P.L.304, No.48), are amended, subsection (e) is amended by adding a paragraph and the section is amended by adding a subsection to read:

Section 2599.2. Pennsylvania Accountability Grants.—\* \* \*

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

(1) Establishing, maintaining or expanding a quality pre-kindergarten program aligned with the current academic standards contained in 22 Pa. Code Ch. 4 (relating to academic standards and assessment).

(2) Establishing, maintaining or expanding a quality full-day kindergarten program aligned with the current academic standards contained in 22 Pa. Code Ch. 4. Such programs shall be kept open for five hours each day for the full school term as provided in section 1501. The board of school directors of a school district may offer a full-day kindergarten program to children who are between four and six years old.

(3) Establishing, maintaining or expanding a class size reduction program. Such class size reduction program shall appoint and assign a minimum of one teacher for every 17 students or two teachers for every 35 students enrolled in a kindergarten, first, second or third grade classroom. All teachers appointed and assigned to teach kindergarten, first, second or third grade shall be certified in accordance with 22 Pa. Code Ch. 49 (relating to certification of professional personnel) or its successors. The department shall establish guidelines to assure that no school district satisfies the requirements of this paragraph by making a reduction in, and subsequent increase to, current teacher complement. For purposes of this paragraph, the

phrase “one teacher for every 17 students or two teachers for every 35 students enrolled in a kindergarten, first, second or third grade classroom” shall refer to the number of teachers conducting a class at any one time in a classroom containing the applicable number of students.

(4) Establishing, expanding or maintaining programs that promote the availability, coordination, integration and utilization of social and health services, associated resources and ancillary resources to meet the needs of children and families in addressing issues that may serve to limit student academic achievement.

(5) Notwithstanding the provisions of Article XV-C, providing tutoring assistance during the normal school day and hours of the school district, provided that the tutoring is in addition to and does not interfere with a student’s regularly scheduled classroom instruction times and does not supplant services required in a student’s individualized education program.

(6) Improving the academic performance of subgroups identified under section 1111(b) of the No Child Left Behind Act of 2001.

(7) Establishing, expanding or maintaining programs to assist in the building of strong science and applied-knowledge skills.

(8) Providing additional programs for continuing professional education that may include any of the following: training in mathematics, science and literacy-specific curriculum and instructional strategies; training in school-wide improvement planning; analysis of student achievement data, including student work and the implications for classroom practice; observing and studying exemplary school and classroom practices; implementing school-wide programs and classroom management strategies designed to improve student conduct; using technology to boost student achievement; conducting transition planning and curriculum alignment across schools and grade levels; or implementing secondary strategies to increase student engagement and personalize learning.

(9) Establishing, expanding or maintaining math and literacy coaching programs within schools to improve math and reading instruction.

(10) Providing financial incentives to highly qualified, tenured teachers to work in the most academically challenged schools in a school district or providing financial incentives to aid in the recruitment of certificated teachers in mathematics, science, language arts or English as a second language to work in the most academically challenged schools in a school district.

***(10.1) Establishing, expanding or maintaining a career awareness program.***

***(10.2) Purchasing materials or extending service hours for school libraries.***

(11) Providing such other programs or activities that the board of school directors of a school district determines are essential to achieving or maintaining academic performance targets through the year 2014.

(12) Establishing, expanding or maintaining programs for instruction on world languages in the elementary grades, either in immersion classrooms or as separate periods of instruction.

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

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

\* \* \*

*(d.4) During the 2008-2009 school year, the department shall pay to each school district a Pennsylvania accountability grant equal to the amount paid during the 2007-2008 school year under subsections (d.2) and (d.3).*

(e) \* \* \*

*(7) For the 2008-2009 fiscal year, if insufficient funds are appropriated to make Commonwealth payments pursuant to this section, such payments shall be made on a pro rata basis.*

(f) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

*“Applied knowledge.”* Information technology, computer equipment, education software and related advanced technologies necessary to increase students’ access to worldwide information and their expertise in this regard.

*“Career awareness program.”* An educational program that introduces students to a variety of career and vocational options and includes such activities as job shadowing, field trips and tours, career days or the administration of career assessment tests and inventories.

*“Career days.”* Special events that allow students to meet with employers, career development specialists, community-based organization representatives and postsecondary educators and are designed to encourage students to gain information about careers and job opportunities.

*“Department.”* The Department of Education of the Commonwealth.

*“Grant.”* A Pennsylvania accountability grant awarded under this section.

*“Highly qualified.”* A highly qualified elementary teacher or a highly qualified middle or secondary teacher as defined in 22 Pa. Code § 403.2 (relating to definitions).

*“Job shadowing.”* As part of career exploration activities in late middle and early high school, activity of a student following an employe for one or more days to learn about a particular occupation or industry, which activity is intended to help students explore a range of career objectives and possibly to select a career pathway.

“Science.” A curricular offering in support of the science and technology content area as defined in 22 Pa. Code § 4.12 (relating to academic standards).

Section 34. This act shall apply retroactively to July 1, 2008.

Section 35. This act shall take effect immediately.

APPROVED—The 9th day of July, A.D. 2008.

EDWARD G. RENDELL