

No. 1985-31

AN ACT

HB 150

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," providing for community colleges; and further providing for the State System of Higher Education and for reimbursements by the Commonwealth and between school districts.

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

Section 1. The act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended by adding an article to read:

**ARTICLE XIX-A.
COMMUNITY COLLEGES.**

Section 1901-A. Definitions.—The following words and phrases, as used in this article, shall, unless a different meaning is plainly required by the context, have the following meaning:

- (1) "Municipality" shall mean any city, borough, town, township or county.*
- (2) "Local sponsor" shall mean a school district or a municipality or a county board of school directors or any combination of school districts, municipalities or county boards of school directors which participate or propose to participate in the establishment and operation of a community college.*
- (3) "Member" of a local sponsor shall mean any school district or municipality which alone is or with other districts and municipalities is included in a local sponsor.*
- (4) "Community college" shall mean a public college or technical institute which is established and operated in accordance with the provisions of this act by a local sponsor which provides a two-year, postsecondary, college-parallel, terminal-general, terminal-technical, out-of-school youth or adult education program or any combination of these. The community college may also provide area vocational-technical education services to secondary senior high school students.*
- (5) "Community college plan" shall mean a plan prepared in accordance with the policies, standards, rules and regulations of the State Board of Education for the establishment or operation of a community college and shall include a survey of any industrial development and manpower needs of the area and of any vocational and occupational shortage and the means by which the community college program and curriculum shall further industrial development, reduce unemployment and improve employable skills of residents of the area to be served by the community college.*

(6) "Governing body" of a school district or municipality shall mean respectively its board of school directors or its council or board of commissioners or supervisors and may include the county board of school directors.

(7) "Board of trustees" shall mean the board of trustees of a community college.

(8) "Annual" shall mean a twelve-month period coterminous with the Commonwealth fiscal year beginning July 1 and ending June 30; hence, annual capital expenses and reimbursement therefor shall be regarded as those incurred during a full twelve-month fiscal year of operation.

(9) "Academic year" shall mean the period of instruction which includes two semesters, two trimesters, or three terms or quarters; hence, operating expenses for the academic year and reimbursement therefore shall be those incurred during two semesters, two trimesters, or three terms or quarters of college operation.

(10) "Summer term" shall mean an additional session, semester, trimester or quarter offered at the end of the regular academic year.

Section 1902-A. Powers and Duties of State Board of Education.—

(a) The State Board of Education shall have the power, and its duty shall be:

(1) To adopt such policies, standards, rules and regulations formulated by the Council of Higher Education, as may be necessary to provide for the establishment, operation and maintenance of community colleges, including minimum requirements for physical facilities and equipment, curriculum, faculty, standards and professional requirements, qualifications for admission and advancement of students, student enrollment, student population of the area to be served by the community college, requirements for satisfactory completion of a two-year program and the degrees or diplomas or certificates to be awarded therefor, means of financing and financial resources for the establishment and support of the community college, and all matters necessary to effectuate the purposes of this act.

(2) To approve or disapprove plans for the establishment or operation of a community college.

(3) To approve or disapprove petitions of school districts or municipalities applying for participation in an established community college. No petition may be approved unless it is accompanied by the consent of the governing bodies of the majority of the members of the local sponsor of the established community college to the participation of the petitioning school district or municipality.

(b) In determining such policies, standards, rules and regulations, the State Board of Education may consider relevant all minimum requirements established by statute or by regulation with respect to the State colleges and universities of the Commonwealth and may consider relevant such minimum requirements established by statute or by regulation with respect to secondary and special education programs in the school district or districts of the area to be served by the community college.

(c) In approving or disapproving such plans, the State Board of Education shall consider the needs of areas adjacent to the areas to be served by the

community college and of the State with respect to higher education and long range plans therefor established by the State Board of Education. Other school districts and municipalities may petition the State Board of Education to become a part of a local sponsor as hereafter in this act provided.

(d) No plan for the establishment of a community college shall be approved unless the State Board of Education determines that the local sponsor has a population of a sufficient number to assure a sustained minimum enrollment, has sufficient wealth to financially support such college and is not adequately served by established institutions of higher learning. No plan for the establishment of a community college shall be approved unless it contains an estimate of operating cost for administration, instruction, operation and maintenance and such other accounts as the State Board of Education may, from time to time, determine. No plan for the establishment of a community college shall be approved unless it contains an estimate of any proposed capital improvements for the next following ten years.

(e) To confer with and obtain the approval of the Governor's Office as to the number of community colleges which can be approved for participation during the ensuing fiscal period.

(f) Wherever in this act the approval of the State Board of Education is required in any matter, the State Board of Education may require the Department of Education to make and report its findings and recommendations on such matter to the Council of Higher Education for the formulation of policies, standards, rules and regulations for consideration by the State Board of Education.

Section 1903-A. Plans and Procedures for Establishing.—(a) A proposed community college plan shall be submitted by the local sponsor in such form and containing such information as the State Board of Education may require. The plan shall designate the name of the proposed community college which shall be the "Community College of" or "..... Technical Institute," stating the name of the local sponsor or area of such community college. If there are two or more members of the local sponsor, the plan shall include provisions allocating financial responsibility for the community college among the members of the local sponsor subject to the policies, standards, rules and regulations of the State Board of Education.

(b) The community college plan, when submitted by the local sponsor, shall first be approved by the governing body of each member of the local sponsor and shall be submitted by them jointly in all counties. School directors from school districts of the second, third and fourth class located in two or more counties may meet in convention and approve a community college plan for submission to the State Board of Education.

(c) Upon the approval of the plan by the State Board of Education, the governing bodies of the local sponsor shall appoint a board of trustees of the community college, as hereinafter provided, and, upon such appointment, the community college shall be considered established.

(d) A county board of school directors shall prepare a plan for establishing a community college when required by a convention of school directors from school districts within the county. Such plan shall indicate the school districts to be served by a community college. Thereafter, a convention of school directors from school districts within the proposed area of a community college shall be called to consider:

(1) The proposed plan.

(2) The question of authorizing the county board or county boards to sponsor a community college.

(3) The allocation of the cost of establishing and operating a community college.

Following such consideration, the school directors in convention may approve a plan to establish and operate a community college subject to the approval of the State Board of Education and to determine the share and formula for sharing operating expenses, capital outlay, debt service or lease payment to be borne by the school districts. School directors from the districts not desiring to participate in the establishment of a community college shall not be eligible to vote on any question placed before the convention.

Member districts shall share the cost of establishing and operating a community college.

Section 1904-A. Election or Appointment; Term and Organization of Board of Trustees.—(a) The board of trustees of a community college shall be elected by the vote of a majority of the members of the governing body or governing bodies of the local sponsor within sixty (60) days of the approval of the plan by the State Board of Education, except that the board of trustees of a community college sponsored by a city of the second class shall be appointed by the mayor, with approval of city council, and in cities of the first class shall be appointed by the mayor from nomination from a nominating panel established in accordance with municipal ordinance.

(b) The board of trustees shall consist of no less than seven nor more than fifteen persons appointed for terms of six years each, except that those persons initially appointed shall draw lots to determine which trustees shall serve for a term of two years, which trustees shall serve for a term of four years and which trustees shall serve for a term of six years. Thereafter, all persons shall be appointed for terms of six years each. A trustee may succeed himself.

(c) The board of trustees shall organize itself at such times each year as it determines and shall choose from among its members a chairman and vice-chairman and secretary who shall hold such offices for one year. A majority of the members of the board shall be a quorum. Vacancies on the board shall be filled by the appointing authority for the unexpired terms. Trustees shall serve without compensation, except that they shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties.

Section 1905-A. Powers and Duties of Board of Trustees.—(a) The affairs of any community college established under this act shall be administered and supervised by a board of trustees. Subject to any law and to any policies, standards, rules and regulations adopted by the State Board of Edu-

cation provided for community colleges, the board shall, for the purpose of establishing, operating and maintaining a community college, have the power, and its duty shall be:

- (1) To appoint and fix the salary of a president.*
- (2) To hold, rent, lease, sell, purchase and improve land, buildings, furnishings, equipment, materials, books and supplies.*
- (3) To enter into contracts for services with schools, colleges or universities, or with school districts or municipalities, to effectuate the purposes of this act.*
- (4) To accept and receive gifts of real and personal property and Federal, State and local moneys and grants, and to expend the same.*
- (5) To make policies providing for the admission and expulsion of students, the courses of instruction, the tuition and fees to be charged and for all matters related to the government and administration of the college.*
- (6) To submit to the State Board of Education for its approval proposed amendments to the community college plan.*
- (7) To enter into contracts for services to high schools of member districts to provide area vocational-technical education services.*
- (8) To exercise such other powers and perform such other duties as are necessary to carry into effect the purposes of this act.*

(b) Contracts shall be entered into and other acts shall be done by the board of trustees of a community college in the name of the community college. The board of trustees shall submit an annual budget for consideration and approval by the local sponsor. The submission of the budget by the board of trustees shall constitute a "formal action" as defined by the act of July 19, 1974 (P.L.486, No.175), referred to as the Public Agency Open Meeting Law. The board of trustees shall supervise the expenditure of appropriations made by the local sponsor and shall conduct the business affairs of the community college in accordance with rules, regulations and procedures approved by the local sponsor. All property purchased by or granted to the board of trustees of a community college shall be held in the name of a community college on behalf of the local sponsor of the college.

(c) Each member of a local sponsor is authorized to enter into a written agreement with the board of trustees of the community college for the purpose of providing operating expenses for at least a five-year period and for capital expenses for such term or period as is necessary for the reduction of capital indebtedness not to exceed thirty years.

(d) In no event shall the obligation of any member of the sponsor for the operating and capital expenses of a community college exceed the limit of such member's authority to levy taxes pursuant to this act or any other act of the General Assembly or its right to incur or increase its indebtedness under Article IX of the Constitution of Pennsylvania.

Section 1906-A. Officers of the Community College.—(a) The president shall be the chief executive and administrative officer of the college and shall perform all duties which the board of trustees may prescribe. He shall have the right to attend all meetings of the board and to be heard on all matters before it, but shall have no right to vote on any matter.

(b) The treasurer of the college shall give a proper bond in such amount and with such corporate surety as is approved by the board of trustees, which shall be filed with the board. The account of the treasurer shall be audited annually by a certified public accountant or other qualified public accountant selected by the board of trustees.

Section 1907-A. Students.—Any resident of the Commonwealth may apply for admission to any community college established under this act. The State Board of Education may provide for the admission to community colleges of persons who are not residents of the Commonwealth, but no college shall admit such persons unless the admission is in accordance with the policies, standards, rules and regulations of the State Board of Education. The State Board of Education may prescribe standards for determining the place of residence of students and applicants for admission to community colleges.

Section 1908-A. Tuition.—(a) The normal tuition charged by each community college shall be an amount fixed by the board of trustees of the community college, in accordance with policies, standards, rules and regulations of the State Board of Education, determined by apportioning among the students enrolled in such college not more than one-third of its annual operating costs.

(b) A student who is not a resident in the area of the local sponsor of the community college in which he is enrolled and who enrolled himself in such college with the approval of the board of trustees of the community college established in the area in which he resides, if there be one, shall pay the normal tuition charge of the college he attends, but the board of trustees of the college established in his area of residence shall pay on behalf of such student to the college in which he is enrolled an amount equal to the amount established by the board of trustees of the attended college as its own sponsor share of the cost per equivalent full-time student. The community college at which the student registers shall be entitled to State reimbursement on behalf of that student in the same manner as a student resident in the sponsorship area as hereinafter provided.

(c) A student who is a resident of the Commonwealth in an area which is not a local sponsor of a community college and who is enrolled in a community college in accordance with the policies, standards, rules and regulations of the State Board of Education shall pay a tuition charge fixed by the board of trustees of the college attended. Such tuition shall total the amount representing the difference between total operating cost per equivalent full-time student and the amount payable by the State on behalf of each equivalent full-time student enrolled. The community college enrolling such student shall be entitled to State reimbursement as hereinafter provided.

(d) A student who is not a resident in the area of the local sponsor of the community college in which he is enrolled and who has enrolled himself in such college without the approval of the board of trustees of the community college established in the area in which he resides, if there is one, shall pay a tuition charge which shall be equal to twice the normal tuition charge of the community college in which he is enrolled. The community college at which

the student registers shall be entitled to State reimbursement on behalf of that student in the same manner as a student resident in the sponsorship area as hereinafter provided.

(e) A student who is not a resident of the Commonwealth and who is enrolled in a community college in accordance with the policies, standards, rules and regulations of the State Board of Education shall pay such tuition charge as is approved by the Department of Education.

Section 1909-A. Taxation.—The governing body of each school district or municipality comprising a local sponsor may levy, annually, taxes on subjects of taxation as prescribed by law in such school district or municipality for the purpose of establishing, operating and maintaining a community college. This tax levy shall be in excess of and beyond the millage fixed or limited by law, so long as the aggregate amount of all taxes imposed by any local sponsor, other than a school district of the first class or a city of the first class or county of the first class, for the establishment, operation and maintenance of a community college shall not exceed an amount equal to the product obtained by multiplying the latest total market value of the local sponsor as determined by the State Tax Equalization Board in the case of school districts, and by the Board of Assessment and Revision of Taxes or any other similar board which determines market values of real estate in the case of municipalities, by five mills. Where a county levies such a tax for the establishment, operation and maintenance of a community college, no such tax shall be levied upon the property in a municipality situate in such county if the school district in which the municipality is situate levies a tax on the property in the municipality for the establishment, operation and maintenance of a community college situate in a county other than the one in which the municipality is located. The aggregate amount of all taxes imposed by a school district of the first class or a city of the first class or county of the first class for the establishment, operation and maintenance of a community college shall not exceed an amount equal to the product obtained by multiplying the latest total market value of the school district of the first class as determined by the State Tax Equalization Board and by the Board of Assessment and Revision of Taxes or any other similar board which determines market values of real estate in the case of cities of the first class or counties of the first class, by one mill.

Section 1910-A. Withdrawal of Sponsorship; Dissolution of Community College.—No school district or municipality which is a local sponsor or a part of a local sponsor may withdraw its sponsorship from a community college nor may any community college be disestablished without the approval of the State Board of Education.

Section 1911-A. Participation in or Admission to Established Community College.—(a) The governing body of any school district or of any municipality desiring to have such school district or municipality participate in an established community college shall present a petition to the State Board of Education in such form as the board may prescribe requesting approval to participate in or to be admitted to the community college.

(b) Upon the approval of the State Board of Education of a petition submitted by a governing body, such petitioning school district or municipality shall be considered a local sponsor of the community college and be admitted thereto.

Section 1912-A. Degrees.—The State Board of Education shall prescribe the types of diplomas, certificates or degrees that may be granted students who complete post-secondary education courses in community colleges.

Section 1913-A. Financial Program; Reimbursement or Payments.—

(a) The plan submitted by the local sponsor shall set forth a financial program for the operation of the community college. The plan shall provide that at least two-thirds of the annual operating costs and up to one-half of the annual capital expenses shall be appropriated or provided by the local sponsor to the community college, and such allocation may in part be represented by real or personal property or services made available to the community college. The plan shall indicate whether the appropriation shall come from general revenues, loan funds, special tax levies or from other sources, including student tuitions.

(b) (1) The Commonwealth shall pay to a community college on behalf of the sponsor on account of its operating costs during the fiscal year from funds appropriated for that purpose an amount equal to one-third of such college's approved operating costs not to exceed two thousand four hundred dollars (\$2,400) per student multiplied by the number of equivalent full-time students determined by an audit to be made in a manner prescribed by the State Board of Education.

(2) In addition, the Commonwealth shall pay to a community college, on account of its operating costs for all equivalent full-time students enrolled in the following categories of two-year or less than two-year occupational or technical programs, a stipend as follows:

(i) One thousand one hundred dollars (\$1,100) per full-time equivalent student enrolled in advanced technology programs. Advanced technology programs are programs using new or advanced technologies which hold promise for creating new job opportunities, including such fields as robotics, biotechnology, specialized materials and engineering and engineering-related programs.

(ii) One thousand dollars (\$1,000) per full-time equivalent student enrolled in programs designated as Statewide programs. A Statewide program is a program which meets one or more of the following criteria:

(A) Program enrollment from out-of-sponsor area is twenty per cent or more of the enrollment for the program.

(B) A consortial arrangement exists with another community college to cooperatively operate a program or share regions in order to avoid unnecessary program duplication.

(iii) Five hundred dollars (\$500) per full-time equivalent student enrolled in other occupational or technical programs.

(3) The Secretary of Education annually shall establish criteria to be used to determine eligibility of programs for each of the above stipend categories, shall approve programs for funding in the following fiscal year according to

these criteria and shall submit to chairmen of the committees of education in the House of Representatives and Senate a report setting forth the established criteria, any programs approved for funding under these criteria and the recipient community colleges.

(4) Each community college shall maintain such accounting and student attendance records on generally accepted principles and standards as will lend themselves to satisfactory audit. The Commonwealth shall pay to a community college on behalf of the sponsor on account of its capital expenses an amount equal to one-half of such college's annual capital expenses from funds appropriated for that purpose to the extent that said capital expenses have been approved as herein provided.

(5) For purposes of determining Commonwealth reimbursement of operating costs, Federally funded expenditures for those programs in which the Commonwealth participates in the cost shall be deducted from total operating expenditures to determine net reimbursable operating costs.

(c) Capital expenses shall mean only such expenses as are incurred with the approval of the Department of Education for amortization of the purchase of lands; purchase, construction or improvement of buildings for administrative and instructional purposes, including libraries; the lease of lands or buildings, or for rentals to an authority for the same purpose; and for the purchase, lease or rental of capital equipment and furniture used for instructional or administrative purposes. Capital expenses shall include library books and complementary audio-visual equipment purchased during the first five years after establishment. For the purpose of calculating the Commonwealth's share of operating, and capital costs incurred prior to the actual admission of students to a community college, all such costs shall be interpreted as capital costs. No costs and expenses incurred in the establishment, construction, operation or maintenance of dormitories, or the equipment or furnishings for such purposes, shall be included in capital expenses or operating costs for purposes of Commonwealth reimbursement. The provisions of this subsection shall not prevent the Commonwealth from reimbursing a community college for capital expenses incurred prior to the effective date of this act. Such reimbursement must have approval of the Secretary of Education.

(d) The State Board of Education shall adopt policies, standards, rules and regulations for determining reimbursable capital expenses and operating costs, and the Department of Education shall approve such expenses and costs for the purpose of reimbursement by the Commonwealth.

(e) The State Board of Education shall apply for, receive and administer, subject to any applicable regulations or laws of the Federal Government or any agency thereof, any Federal grants, appropriations, allocations and programs to fulfill the purpose of this act.

(f) All administrative personnel, faculty, and other employes of the community colleges in the Commonwealth shall be eligible for inclusion in the Public School Employees' Retirement System of Pennsylvania, the Pennsylvania State Employees' Retirement System, or any independent retirement program approved by the Board of Trustees of a community college, and the Secretary of Education.

(g) The community college in the Commonwealth shall be eligible for participation in the act of July 5, 1947 (P.L.1217, No.498), known as the "State Public School Building Authority Act," and the act of May 2, 1945 (P.L.382, No.164), known as the "Municipality Authorities Act of 1945."

(h) In all cases where the board of trustees of any community college fails to pay or provide for the payment of any rental or rentals due the State Public School Building Authority or any municipality authority for any period in accordance with the terms of any lease entered into between the board of trustees of any community college and the State Public School Building Authority or any municipality authority, or fails to pay or to provide for the payment of any other indebtedness when due, upon written notice thereof from the State Public School Building Authority or any municipality authority, or in such cases where an audit reveals any unpaid indebtedness due, the Secretary of Education shall notify the board of trustees of its obligation and shall withhold out of any State appropriation that may be due to such community college an amount equal to the amount of rental or rentals owing by such board of trustees to the State Public School Building Authority or any municipality authority, or an amount equal to the amount of any other indebtedness owing by such board of trustees, and shall pay over the amount or amounts so withheld to the State Public School Building Authority or any municipality authority or to whomsoever any other indebtedness is due and owing.

(i) The amount payable to each community college Board of Trustees on behalf of the sponsor shall be paid in the year in which the costs and expenses are incurred in quarterly installments and the Secretary of Education shall draw his requisition quarterly upon the State Treasurer in favor of each community college for the amount of reimbursement to which it is entitled. Reimbursement or payment by the Commonwealth for the operational expenses and capital equipment and the furnishings shall be made on or before the end of the fiscal quarters ended on September 30, December 31, March 31 and June 30 of each Commonwealth fiscal year. Reimbursements or payments shall be made semi-annually for the Commonwealth's share of the annual rentals to an authority or the sponsor or sinking fund or debt-service payments and other leases upon submission of a community college requisition in the form required by the Commonwealth, the reimbursement or payment to be made from funds appropriated for that purpose.

Section 2. Sections 2006-A(a)(5), 2008-A and 2012-A of the act, added November 12, 1982 (P.L.660, No.188), are amended to read:

Section 2006-A. Powers and Duties of the Board of Governors.—
 (a) The Board of Governors shall have overall responsibility for planning and coordinating the development and operation of the system. The powers and duties of the Board of Governors shall be:

* * *

(5) To create new undergraduate and graduate degree programs, which shall not be subject to the rules and regulations of the State Board of Education; to approve extension campuses[,] and [the creation of] new [undergraduate and graduate degree programs, including] external [degrees] degree pro-

grams subject to the rules and regulations of the State Board of Education; to promote cooperation among institutions, including the development of consortia within the system and other educational institutions and agencies.

* * *

Section 2008-A. Councils of Trustees.—(a) The council of each of the institutions shall consist of eleven (11) members who shall be nominated and appointed by the Governor with the advice and consent of the Senate. At least two (2) members of the eleven (11) member council of trustees shall be alumni of the institution.

(b) Ten (10) members of each council shall serve terms of six (6) years, respectively, and until their respective successors are duly appointed and qualified. One (1) member of each council shall be a full-time undergraduate student, other than freshman, enrolled for at least twelve (12) semester hours at the institution of which he is a trustee, *who carries a grade point average of at least 2.0, or its equivalent, for each semester prior to his appointment.* The student member shall serve a term of three (3) years or for so long as he is a full-time undergraduate student in attendance at the institution of which he is a trustee, whichever period is shorter, *if he continues to maintain a grade point average of at least 2.0, or its equivalent, for each semester he serves as a council member.* Vacancies occurring before the expiration of the term of any member shall be filled in like manner for the unexpired term.

(c) The members of each board of trustees of a former State college or university serving in such capacity on the effective date of this act shall continue to serve for the balance of their respective terms.

(d) Six (6) members of a council shall constitute a quorum. Each council shall select from its members a chairperson and a secretary to serve at the pleasure of the council. Each council shall meet at least quarterly, and additionally at the call of the president, or its chairperson, or upon request of three (3) of its members.

Section 2012-A. Diplomas and Certificates.—The board shall prescribe minimum standards for graduation from the system [**subject to the approval of the State board**]. Each graduate shall receive such diploma as the board shall prescribe. [**Subject to the approval of the State board, the**] *The* system shall be authorized to grant baccalaureate, master's and doctoral degrees *as limited by section 2003-A* for successful completion of prescribed courses of study and such other certificates and degrees as *the board* may [**be approved by the State board**] *authorize*.

Section 3. Section 2017-A of the act, added December 17, 1982 (P.L.1378, No.316), is amended to read:

Section 2017-A. Annual Report.—(a) An annual report shall be submitted by each institution to the Governor and the Appropriations and Education Committees of the Senate and House of Representatives 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) **[Total]** *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) **[Number]** *The number* of different courses scheduled by level of instruction and the number of sections of individual instruction **[at each]** *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) **[Number]** *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 **[HEGIS category of instructional programs in higher education as defined by the National Center for Education Statistics, United States Department of Education]** *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) **[Total]** *The total* salary paid for instructional functions and for non-instructional functions and the amount of this salary paid for each of these functions from **[college or]** 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 [HEGIS] *CIP program* category and title, the report shall contain an analysis of the average hours per week spent in [institution-related] *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.

Section 4. Section 2501(18) and (19) of the act, added or amended December 20, 1983 (P.L.267, No.73) and June 29, 1984 (P.L.438, No.93), are amended to read:

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

* * *

(18) "Equalized Subsidy for Basic Education." For the school year 1982-1983 and each school year thereafter, each school district shall be paid by the Commonwealth an equalized subsidy for basic education, which shall consist of [payments] *any or all of the following, as applicable:*

(i) *Payments* on account of instruction, as provided for in subsections (d) and (e) of section 2502[, and an].

(ii) *An economic supplement*, as provided for in section 2502.11.

(iii) *Assistance to small districts as provided for in section 2502.13.*

(19) "Factor for Educational Expense." For the school [year] *years* 1982-1983 and [each school year thereafter] *1983-1984*, the factor for educational expense used to compute school district entitlements to payments on account of instruction, as provided for in subsection (d) of section 2502, shall be one thousand six hundred fifty-six dollars (\$1,656) unless later changed by statute. For the school year 1983-1984 [and each school year thereafter], the Factor for Educational Expense shall be one thousand seven hundred twenty-five dollars (\$1,725), unless later changed by statute, for those school districts participating, during the 1984-1985 school year [and each school year thereafter], in a Statewide program for testing and remediation which is designed to identify and provide remediation services to individual students pursuant to section 1511.1. *For the 1984-1985 school year and each school year thereafter, notwithstanding any other provisions of this act to the contrary, the Factor for Educational Expense used to compute all school districts' entitlements to payments on account of instruction, as provided for in subsection (d) of section 2502, shall be one thousand eight hundred seventy-five dollars (\$1,875).*

Section 5. Sections 2502(d) and 2502.5 of the act, amended June 29, 1984 (P.L.438, No.93), are amended to read:

Section 2502. Payments on Account of Instruction.—* * *

(d) For the school year 1976 and 1977 through the 1980-1981 school year, each school district shall be paid by the Commonwealth on account of instruction of the district's pupils an amount to be determined by multiplying the market value/income aid ratio times the actual instruction expense per weighted average daily membership or by the base earned for reimbursement, whichever is less, and by the weighted average daily membership for the district. For the school year 1976-1977 any school district which, as a result of the impact on payments under subsections (d), (e) and (f) and under section 2592 by reason of the market value/income aid ratio or the application of equalized millage to the base earned for reimbursement, shall suffer a reduction in subsidy entitlement, shall be held harmless from this impact and shall receive an amount which is no less than that received for 1976-1977 under such subsections and under section 2592. For the 1982-1983 school year and each school year thereafter, each school district shall be paid by the Commonwealth on account of instruction of the district's pupils an amount to be determined by multiplying the district's market value/income aid ratio by the factor for educational expense, **one thousand six hundred fifty-six dollars (\$1,656),** and by the weighted average daily membership of the district. For the 1983-1984 school year **[and each school year thereafter]**, each school district participating, during the 1984-1985 school year **[and each school year thereafter]**, in a Statewide program for testing and remediation which is designed to identify and provide remediation services to individual students pursuant to section 1511.1, shall be paid by the Commonwealth on account of instruction of the district's pupils an amount to be determined by multiplying the district's market value/income aid ratio by the factor for educational expense, one thousand seven hundred twenty-five dollars (\$1,725), and by the weighted average daily membership of the district. This subsidy may be used for strengthening curriculum, increasing standards, improving student achievement and providing remedial programs *during the 1984-1985 school year.*

* * *

Section 2502.5. Limitation of Certain Payments.—

(a) Notwithstanding any other provision of law, for the school year 1970-1971 through the school year 1980-1981, no school district shall be paid under subsections (d) and (e) of section 2502 or section 2592, whichever is applicable, and subsection (f) of section 2502, and section 2502.3 and section 2502.4 of this act an amount in excess of one hundred percent (100%) of the total approved reimbursable instructional expenditures of such school district. The provisions of this subsection shall not apply to any school district receiving any payment under subsection (g) of section 2502 of this act.

(b) Notwithstanding any other provisions of law, for the school year 1982-1983 and **[each school year thereafter] 1983-1984**, no school district shall be paid under subsections (d) and (e) of section 2502 and section 2502.11 *or for the school year 1984-1985 and each school year thereafter, no school district shall be paid under subsections (d) and (e) of*

section 2502, section 2502.11 and section 2502.13 an amount in excess of one hundred percent (100%) of the total reimbursable instructional expenditures of the school district. For the 1982-1983 school year, all school districts qualifying for payments under subsections (d) and (e) of section 2502 and section 2502.11 shall be limited to an increase payment on account of those sections which shall not exceed nine percent (9%) over the sums received on account of section 2502.9 for the 1981-1982 school year, nor shall any school district receive an increase of less than two percent (2%) of the 1982-1983 school year payments on account of the 1981-1982 school year. *For the 1984-1985 school year and each school year thereafter, each school district qualifying for payments under subsections (d) and (e) of section 2502 and section 2502.11 shall be limited to an increase payment on account of those sections which shall not exceed eight and forty-five one hundredths percent (8.45%) over the sums received on account of such sections for the school year 1983-1984, nor shall any school district receive an increase of less than two percent (2%) of such payments for the school year 1983-1984: Provided, however, That such payments for the school year 1983-1984 shall be computed using a Factor for Educational Expense of one thousand six hundred fifty-six dollars (\$1,656) and a maximum payment increase of seven and forty-five one hundredths percent (7.45%) and a minimum payment increase of two percent (2%) and the eighty percent (80%) guarantee provided for in section 2502.5(e).*

[(c) For the 1983-1984 school year and each school year thereafter, all school districts qualifying for payments under subsections (d) and (e) of section 2502 and section 2502.11 and which are not providing appropriate remedial programs as defined in section 1511.1 shall be limited to an increase payment on account of those sections which shall not exceed seven and forty-five one hundredths percent (7.45%) over the sums received on account of those sections for the 1982-1983 school year, nor shall any such school district receive an increase of less than two percent (2%) of the equalized subsidy for basic education payments received for the 1982-1983 school year.

(d) For the 1983-1984 school year and each school year thereafter, all school districts qualifying for payments under subsections (d) and (e) of section 2502 and section 2502.11 and which are providing appropriate remedial programs as defined in section 1511.1, during the 1984-1985 school year and each school year thereafter, shall be limited to an increase payment on account of those sections which shall not exceed eight percent (8%) over the sums received on account of those sections for the 1982-1983 school year, nor shall any such school district receive an increase of less than three percent (3%) of the equalized subsidy for basic education payments received for the 1982-1983 school year.]

(e) For the school year 1983-1984 and each school year thereafter, no school district shall be paid under subsections (d) and (e) of section 2502 and under section 2502.11 less than eighty percent (80%) of the total amount to which it is entitled under said sections, notwithstanding any limitations on increases in such payments enacted by the General Assembly to the contrary. For the school year 1983-1984, payments under this subsection shall be com-

puted using a Factor for Educational Expense of one thousand six hundred fifty-six dollars (\$1,656) and a maximum payment increase of seven and forty-five one hundredths percent (7.45%) and a minimum payment increase of two percent (2%). *For the school year 1984-1985 and each school year thereafter, payments under this subsection shall be computed using the Factor for Educational Expense as defined in section 2501(19) and minimum and maximum increase limits provided for in subsection (b) of this section.* No school district shall, as a result of this subsection, be paid an amount in excess of one hundred percent (100%) of the total reimbursable instructional expenditures of the school district.

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

Section 2502.13. Small District Assistance.—For the 1984-1985 school year and each school year thereafter, the Commonwealth shall pay, to each school district which has an average daily membership of one thousand five hundred (1,500) or less and has a market value/income aid ratio of five thousand ten-thousandths (0.5000) or greater, an amount equal to fifty dollars (\$50) multiplied by that district's average daily membership.

Section 7. Section 2509.3 of the act, added July 13, 1979 (P.L.94, No.41), is amended to read:

Section 2509.3. Payments on Account of Transportation of Nonpublic School Pupils.—Each school district, regardless of classification, shall be paid by the Commonwealth the sum of thirty-five dollars (\$35) for each nonpublic school pupil transported in the school year 1978-1979 *through the school year 1983-1984 and for the school year 1984-1985* and each school year thereafter, *each school district shall be paid the sum of seventy dollars (\$70) for each nonpublic school pupil transported.*

Section 8. Section 2517 of the act, amended May 11, 1982 (P.L.396, No.115) and December 20, 1983 (P.L.267, No.73), is amended to read:

Section 2517. Payments.—(a) The amount apportioned and allotted to each school district shall be divided into three payments and the Secretary of Education shall draw his requisition three times annually upon the State Treasurer in favor of each district for the amount to which it is entitled. The first two payments shall be estimates based on but not to exceed thirty percent (30%) each of the total amount apportioned and allocated to the school district during the previous school year for the same purposes. The final payment shall be the balance of the apportionment due for the applicable school year. Payment thereof shall be made to all school districts on the first day of October, February and June, except any school district whose fiscal year and calendar year are identical at the effective date of this amendatory act shall continue to receive payments as **[heretofor] heretofore.**

(b) Subsection (a) of this section shall apply to payments to which a school district is entitled under any provision of sections 2502, 2592, 2502.3 or 2502.4 of the act for any school year up to or including 1980-1981.

(c) For the 1981-1982 school year and every school year thereafter, the amount apportioned and allotted to each school district shall be divided into six payments and the Secretary of Education shall draw his requisition six times upon the State Treasurer in favor of each district for the amount to

which it is entitled. The first five payments shall be estimates based on but not to exceed fifteen percent (15%) each of the total net amount apportioned and allocated to the school district for the payment year. The final payment shall be the balance of the apportionment due for the applicable school year. Payment thereof shall be made to all school districts on the **[third] fourth** Thursday of August, October, December, February and April and the first day of June.

(d) Subsection (c) of this section shall apply to **[all]**:

(1) *All payments to which a school district is entitled under any provision of sections 2502, 2502.3, 2502.4, 2502.8, 2502.9 and 2592 for the school year 1981-1982 [and to payments].*

(2) *Payments to which a school district is entitled under any provision of sections 2502, 2502.8 and 2502.11 for the school year 1982-1983 and [each] the school year [thereafter] 1983-1984.*

(3) *Payments to which a school district is entitled under any provision of sections 2502, 2502.8, 2502.11 and 2502.13 for the school year 1984-1985 and each school year thereafter.*

Section 9. Notwithstanding any other provisions of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, the board of school directors of each school district is authorized to and may reopen its 1985-1986 budget during the months of July and August 1985 to make any revisions in the budget and tax levies heretofore adopted to reflect anticipated increases in subsidies payable to the school district during its 1985-1986 fiscal year under provisions of this act.

Section 10. (a) Sections 2 through 14 of the act of August 24, 1963 (P.L.1132, No.484), known as the Community College Act of 1963, are repealed.

(b) All other acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 11. Sections 4 through 8 of this act shall be retroactive to July 1, 1985, if the act is enacted after that date.

Section 12. This act shall take effect immediately.

APPROVED—The 1st day of July, A. D. 1985.

DICK THORNBURGH